

By Representatives Pickens, Kilmer and Richardson

1                                   A bill to be entitled  
2           An act relating to economic development;  
3           amending s. 212.096, F.S.; revising a  
4           definition and defining "jobs"; increasing the  
5           enterprise zone jobs credit against the sales  
6           tax and revising the method of computing the  
7           credit; providing an increased credit for a  
8           business located in a rural enterprise zone;  
9           increasing the period during which the credit  
10          may be allowed; amending s. 212.098, F.S.;  
11          providing that a business eligible for the  
12          qualified target industry business tax refund  
13          is eligible for the rural job tax credit  
14          program; amending s. 220.03, F.S.; revising a  
15          definition and defining "jobs"; amending s.  
16          220.181, F.S.; increasing the enterprise zone  
17          jobs credit against the corporate income tax  
18          and revising the method of computing the  
19          credit; providing an increased credit for a  
20          business located in a rural enterprise zone;  
21          increasing the period during which the credit  
22          may be allowed; amending s. 288.018, F.S.;  
23          authorizing the Office of Tourism, Trade, and  
24          Economic Development to contract with  
25          Enterprise Florida, Inc., to administer the  
26          Regional Rural Development Grants Program;  
27          creating s. 288.0185, F.S.; directing the  
28          member agencies of the Rural Economic  
29          Development Initiative (REDI) to review and  
30          develop modifications for grant and loan  
31          application evaluation criteria and scoring

1           procedures to ensure access for rural counties  
2           and providing requirements with respect  
3           thereto; providing for review of future rules,  
4           programs, criteria, and processes; creating s.  
5           288.019, F.S.; directing the REDI member  
6           agencies to develop proposals to waive or  
7           reduce financial match requirements for  
8           projects in rural communities; authorizing use  
9           of certain funds or donations as matches;  
10          creating s. 288.0195, F.S.; providing for  
11          review by REDI agencies of state agency  
12          proposed rules; amending s. 288.065, F.S.;  
13          providing that an economic development  
14          organization substantially underwritten by a  
15          unit of local government is eligible for loans  
16          under the Rural Community Development Revolving  
17          Loan Fund Program; amending s. 290.004, F.S.;  
18          defining "rural enterprise zone"; deleting  
19          obsolete definitions; amending ss. 290.0055,  
20          290.0056, and 290.0058, F.S.; correcting  
21          obsolete references; deleting a time limitation  
22          on submission of applications for enterprise  
23          zone boundary changes; amending s. 290.0065,  
24          F.S.; including Enterprise Florida, Inc., in  
25          certain duties relating to designation of  
26          enterprise zones; including rural champion  
27          communities in areas that may be designated as  
28          state rural enterprise zones; providing for the  
29          development of certain guidelines by the Office  
30          of Tourism, Trade, and Economic Development in  
31          consultation with other agencies; revising

1 requirements relating to amendment of  
2 boundaries of enterprise zones designated by  
3 the state; creating s. 290.00676, F.S.;  
4 authorizing the Office of Tourism, Trade, and  
5 Economic Development to amend the boundaries of  
6 a rural enterprise zone and providing  
7 requirements with respect thereto; creating s.  
8 290.00677, F.S.; modifying the employee  
9 residency requirements for the enterprise zone  
10 job credit against the sales tax and corporate  
11 income tax, if the business is located in a  
12 rural enterprise zone; modifying the employee  
13 residency requirements for maximum exemptions  
14 or credits with respect to the sales tax  
15 credits for building materials used in the  
16 rehabilitation of real property in an  
17 enterprise zone, for business property used in  
18 an enterprise zone, and for electrical energy  
19 used in an enterprise zone, and the corporate  
20 income tax enterprise zone property tax credit,  
21 if the business is located in a rural  
22 enterprise zone; creating s. 290.00694, F.S.;  
23 authorizing the Office of Tourism, Trade, and  
24 Economic Development to designate rural  
25 champion communities or communities within a  
26 designated rural area of critical economic  
27 concern as enterprise zones; providing  
28 requirements with respect thereto; providing an  
29 effective date.

30  
31 Be It Enacted by the Legislature of the State of Florida:

1           Section 1. Paragraph (c) of subsection (1) of section  
2 212.096, Florida Statutes, is amended, paragraph (d) is added  
3 to said subsection, and subsection (2) and paragraph (a) of  
4 subsection (3) of said section are amended, to read:

5           212.096 Sales, rental, storage, use tax; enterprise  
6 zone jobs credit against sales tax.--

7           (1) For the purposes of the credit provided in this  
8 section:

9           (c) "New employee" means a person residing in an  
10 enterprise zone, a qualified Workforce Investment ~~Job Training~~  
11 ~~Partnership~~ Act classroom training participant, or a welfare  
12 transition program participant who begins employment with an  
13 eligible business after July 1, 1995, and who has not been  
14 previously employed within the preceding 12 months by the  
15 eligible business, or a successor eligible business, claiming  
16 the credit allowed by this section.

17           (d) "Jobs" means full-time equivalent positions, as  
18 such terms are consistent with terms used by the Department of  
19 Labor and Employment Security and the United States Department  
20 of Labor for purposes of unemployment compensation tax  
21 administration and employment estimation, resulting directly  
22 from a project in this state. This number does not include  
23 temporary construction jobs involved with the construction of  
24 facilities for a project or any jobs that have previously been  
25 included in any application for tax refunds under s.  
26 220.181(1).

27  
28 A person shall be deemed to be employed if the person performs  
29 duties in connection with the operations of the business on a  
30 regular, full-time basis, provided the person is performing  
31 such duties for an average of at least 36 hours per week each

1 month, or a part-time basis, provided the person is performing  
2 such duties for an average of at least 20 hours per week each  
3 month throughout the year. The person must be performing such  
4 duties at a business site located in the enterprise zone.

5 (2)(a) It is the legislative intent to encourage the  
6 provision of meaningful employment opportunities which will  
7 improve the quality of life of those employed and to encourage  
8 economic expansion of enterprise zones and the state.

9 Therefore, ~~beginning July 1, 1995,~~ upon an affirmative showing  
10 by a business to the satisfaction of the department that the  
11 requirements of this section have been met, the business shall  
12 be allowed a credit against the tax remitted under this  
13 chapter.

14 (b) The credit shall be 20 ~~computed as follows:~~

15 1. ~~Ten~~ percent of the monthly wages paid in this state  
16 for to each new job created, unless the business is located in  
17 a rural enterprise zone, as defined in s. 290.004(7), in which  
18 case the credit shall be 30 percent of the wages paid employee  
19 ~~whose wages do not exceed \$1,500 a month. If no less than 20~~  
20 percent of the employees of the business are residents of an  
21 enterprise zone, excluding temporary and part-time employees,  
22 the credit shall be 30 ~~computed as 15~~ percent of the monthly  
23 wages paid in this state for to each new job created, unless  
24 the business is located in a rural enterprise zone, as defined  
25 in s. 290.004(7), in which case the credit shall be 45 percent  
26 of the wages paid. employee;

27 2. ~~Five percent of the first \$1,500 of actual monthly~~  
28 ~~wages paid in this state for each new employee whose wages~~  
29 ~~exceed \$1,500 a month; or~~

1           3. ~~Fifteen percent of the first \$1,500 of actual~~  
2 ~~monthly wages paid in this state for each new employee who is~~  
3 ~~a WAGES Program participant pursuant to chapter 414.~~

4  
5 For purposes of this paragraph, monthly wages shall be  
6 computed as one-twelfth of the expected annual wages paid to  
7 the such employee. The amount paid as wages to a new employee  
8 is the compensation paid to such employee that is subject to  
9 unemployment tax. The credit shall be allowed for up to 24 ~~12~~  
10 consecutive months, beginning with the first tax return due  
11 pursuant to s. 212.11 after approval by the department.

12           (3) In order to claim this credit, an eligible  
13 business must file under oath with the governing body or  
14 enterprise zone development agency having jurisdiction over  
15 the enterprise zone where the business is located, as  
16 applicable, a statement which includes:

17           (a) For each new job ~~employee~~ for which ~~whom~~ this  
18 credit is claimed, the employee's name and place of residence,  
19 including the identifying number assigned pursuant to s.  
20 290.0065 to the enterprise zone in which the employee resides  
21 if the new employee is a person residing in an enterprise  
22 zone, and, if applicable, documentation that the employee is a  
23 qualified Workforce Investment ~~Job Training Partnership~~ Act  
24 classroom training participant or a welfare transition program  
25 participant.

26           Section 2. Paragraph (a) of subsection (1) of section  
27 212.098, Florida Statutes, is amended to read:

28           212.098 Rural Job Tax Credit Program.--

29           (1) As used in this section, the term:

30           (a) "Eligible business" means any sole proprietorship,  
31 firm, partnership, or corporation that is located in a

1 qualified county and is predominantly engaged in, or is  
2 headquarters for a business predominantly engaged in,  
3 activities usually provided for consideration by firms  
4 classified within the following standard industrial  
5 classifications: SIC 01-SIC 09 (agriculture, forestry, and  
6 fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public  
7 warehousing and storage); SIC 70 (hotels and other lodging  
8 places); SIC 7391 (research and development); SIC 7992 (public  
9 golf courses); and SIC 7996 (amusement parks). Any business  
10 eligible for the qualified target industry business tax refund  
11 under s. 288.106 is also an eligible business. A call center  
12 or similar customer service operation that services a  
13 multistate market or an international market is also an  
14 eligible business. In addition, the Office of Tourism, Trade,  
15 and Economic Development may, as part of its final budget  
16 request submitted pursuant to s. 216.023, recommend additions  
17 to or deletions from the list of standard industrial  
18 classifications used to determine an eligible business, and  
19 the Legislature may implement such recommendations. Excluded  
20 from eligible receipts are receipts from retail sales, except  
21 such receipts for hotels and other lodging places classified  
22 in SIC 70, public golf courses in SIC 7992, and amusement  
23 parks in SIC 7996. For purposes of this paragraph, the term  
24 "predominantly" means that more than 50 percent of the  
25 business's gross receipts from all sources is generated by  
26 those activities usually provided for consideration by firms  
27 in the specified standard industrial classification. The  
28 determination of whether the business is located in a  
29 qualified county and the tier ranking of that county must be  
30 based on the date of application for the credit under this  
31

1 section. Commonly owned and controlled entities are to be  
2 considered a single business entity.

3 Section 3. Paragraph (q) of subsection (1) of section  
4 220.03, Florida Statutes, is amended, and paragraph (ff) is  
5 added to said subsection, to read:

6 220.03 Definitions.--

7 (1) SPECIFIC TERMS.--When used in this code, and when  
8 not otherwise distinctly expressed or manifestly incompatible  
9 with the intent thereof, the following terms shall have the  
10 following meanings:

11 (q) "New employee," for the purposes of the enterprise  
12 zone jobs credit, means a person residing in an enterprise  
13 zone, a qualified Workforce Investment Job Training  
14 ~~Partnership~~ Act classroom training participant, or a WAGES  
15 Program participant employed at a business located in an  
16 enterprise zone who begins employment in the operations of the  
17 business after July 1, 1995, and who has not been previously  
18 employed within the preceding 12 months by the business or a  
19 successor business claiming the credit pursuant to s. 220.181.  
20 A person shall be deemed to be employed by such a business if  
21 the person performs duties in connection with the operations  
22 of the business on a full-time basis, provided she or he is  
23 performing such duties for an average of at least 36 hours per  
24 week each month, or a part-time basis, provided she or he is  
25 performing such duties for an average of at least 20 hours per  
26 week each month throughout the year. The person must be  
27 performing such duties at a business site located in an  
28 enterprise zone. The provisions of this paragraph shall expire  
29 and be void on June 30, 2005.

30 (ff) "Jobs," for purposes of the enterprise zone jobs  
31 credit, means full-time equivalent positions, as such terms



1 are consistent with terms used by the Department of Labor and  
2 Employment Security and the United States Department of Labor  
3 for purposes of unemployment compensation tax administration  
4 and employment estimation, resulting directly from a project  
5 in this state. This number does not include temporary  
6 construction jobs involved with the construction of facilities  
7 for a project or any jobs that have previously been included  
8 in any application for tax refunds under s. 212.096.

9           Section 4. Paragraph (a) of subsection (1), paragraph  
10 (a) of subsection (2), and subsection (7) of section 220.181,  
11 Florida Statutes, are amended to read:

12           220.181 Enterprise zone jobs credit.--

13           (1)(a) ~~Beginning July 1, 1995,~~There shall be allowed  
14 a credit against the tax imposed by this chapter to any  
15 business located in an enterprise zone which employs one or  
16 more new employees. The credit shall be computed as follows:

17           1. Twenty ~~Ten~~ percent of the actual monthly wages paid  
18 in this state for to each new job created, unless the business  
19 is located in a rural enterprise zone, as defined in s.  
20 290.004(7), in which case the credit shall be 30 percent of  
21 the wages paid ~~employee whose wages do not exceed \$1,500 a~~  
22 ~~month.~~ If no less than 20 percent of the employees of the  
23 business are residents of an enterprise zone, excluding  
24 temporary and part-time employees, the credit shall be  
25 computed as 30 ~~15~~ percent of the actual monthly wages paid,  
26 unless the business is located in a rural enterprise zone, as  
27 defined in s. 290.004(7), in which case the credit shall be 45  
28 percent of the wages paid in this state for to each new job  
29 ~~employee,~~ for a period of up to 24 ~~12~~ consecutive months;

30  
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1           ~~2. Five percent of the first \$1,500 of actual monthly~~  
2 ~~wages paid in this state for each new employee whose wages~~  
3 ~~exceed \$1,500 a month; or~~

4           2.3. Fifteen percent of ~~the first \$1,500 of actual~~  
5 monthly wages paid in this state for each new employee who is  
6 a welfare transition program participant.

7           (2) When filing for an enterprise zone jobs credit, a  
8 business must file under oath with the governing body or  
9 enterprise zone development agency having jurisdiction over  
10 the enterprise zone where the business is located, as  
11 applicable, a statement which includes:

12           (a) For each new job ~~employee~~ for which ~~whom~~ this  
13 credit is claimed, the employee's name and place of residence  
14 during the taxable year, including the identifying number  
15 assigned pursuant to s. 290.0065 to the enterprise zone in  
16 which the new employee resides if the new employee is a person  
17 residing in an enterprise zone, and, if applicable,  
18 documentation that the employee is a qualified Workforce  
19 Investment Job Training Partnership Act classroom training  
20 participant or a welfare transition program participant.

21           (7) Any business which has claimed this credit shall  
22 not be allowed any credit under ~~the provision of~~ s. 212.096  
23 ~~for any new employee beginning employment after July 1, 1995.~~  
24 The provisions of this subsection shall not apply when a  
25 corporation converts to an S corporation for purposes of  
26 compliance with the Internal Revenue Code of 1986, as amended;  
27 however, no corporation shall be allowed the benefit of this  
28 credit and the credit under s. 212.096 either for the same new  
29 employee or for the same taxable year. In addition, such a  
30 corporation shall not be allowed any credit under s. 212.096  
31 until it has filed notice of its intent to change its status

1 for tax purposes and until its final return under this chapter  
2 for the taxable year prior to such change has been filed.

3 Section 5. Subsection (3) of section 288.018, Florida  
4 Statutes, is amended to read:

5 288.018 Regional Rural Development Grants Program.--

6 (3) The Office of Tourism, Trade, and Economic  
7 Development may expend up to \$600,000 each fiscal year from  
8 funds appropriated to the Rural Community Development  
9 Revolving Loan Fund for the purposes outlined in this section.  
10 The Office of Tourism, Trade, and Economic Development may  
11 contract with Enterprise Florida, Inc., for the administration  
12 of the purposes specified in this section. Funds released to  
13 Enterprise Florida, Inc., for this purpose shall be released  
14 quarterly and shall be calculated based on the applications in  
15 process.

16 Section 6. Section 288.0185, Florida Statutes, is  
17 created to read:

18 288.0185 Rural considerations in grant review and  
19 evaluation processes.--Notwithstanding any other provision of  
20 law, and to the fullest extent possible, the member agencies  
21 of the Rural Economic Development Initiative (REDI) as defined  
22 in s. 288.0656 shall review all grant and loan application  
23 evaluation criteria to ensure the fullest access for rural  
24 counties to resources available throughout the state.

25 (1) Each REDI agency shall review all evaluation and  
26 scoring procedures and develop modifications to those  
27 procedures which minimize the impact of a project within a  
28 rural community.

29 (2) Evaluation criteria and scoring procedures shall  
30 provide for an appropriate ranking based on the proportionate  
31

1 impact of projects on a rural county when compared with  
2 similar project impacts on an urban area.

3 (3) Evaluation criteria and scoring procedures shall  
4 recognize the disparity of participation for an equal level of  
5 financial support from an urban county and a rural county.

6 (a) The evaluation criteria should weigh contribution  
7 in proportion to the amount of funding available at the local  
8 level.

9 (b) In-kind match should be allowed and applied as  
10 financial match for a rural county that is experiencing  
11 financial distress because of elevated unemployment at a rate  
12 that exceeds the state's average by 5 percentage points or  
13 because of the loss of its ad valorem base.

14 (4) For existing programs, the modified evaluation  
15 criteria and scoring procedures must be delivered to the  
16 Office of Tourism, Trade, and Economic Development for  
17 distribution to the REDI agencies. The REDI agencies shall  
18 review and make comments. Future rules, programs, evaluation  
19 criteria, and scoring processes shall be brought before a REDI  
20 meeting for review, discussion, and recommendation to allow  
21 rural counties fuller access to the state's resources.

22 Section 7. Section 288.019, Florida Statutes, is  
23 created to read:

24 288.019 Reduction or waiver of financial match  
25 requirements.--Notwithstanding any other provision of law, the  
26 member agencies of the Rural Economic Development Initiative  
27 (REDI) as defined in s. 288.0656 shall review the financial  
28 match requirements for projects in rural communities as  
29 defined in s. 288.0656.

30 (1) Each agency shall develop a proposal to waive or  
31 reduce the match requirement for rural communities.

1       (2) Waivers and reductions shall at least be  
2 proportionate to the fiscal hardship of the county or  
3 community.

4       (3) Any other funds available to the project may be  
5 used for financial match of federal programs when there is  
6 fiscal hardship and the match may not be waived or reduced.

7       (4) When match requirements are not reduced or  
8 eliminated, donations of land, though usually not recognized  
9 as an in-kind match, may be permitted.

10       (5) To the fullest extent possible agencies shall  
11 expedite the rule adoption and amendment process if necessary  
12 to incorporate the reduction in match by rural communities in  
13 fiscal distress.

14       (6) REDI shall include in its annual report an  
15 evaluation of the status of changes to rules, the number of  
16 awards made with waivers, and any recommendations for future  
17 changes.

18       Section 8. Section 288.0195, Florida Statutes, is  
19 created to read:

20       288.0195 Review of proposed rules.--

21       (1) State agencies shall ensure that all proposed  
22 rules are submitted to the Office of Tourism, Trade, and  
23 Economic Development for review by the Rural Economic  
24 Development Initiative (REDI) agencies.

25       (2) Proposed rules shall be delivered to the Office of  
26 Tourism, Trade, and Economic Development for distribution to  
27 the REDI agencies. A meeting of REDI agencies shall be called  
28 within 30 days after receipt of such proposals for REDI  
29 comment and recommendations on each proposal.

30       Section 9. Subsections (1) and (2) of section 288.065,  
31 Florida Statutes, are amended to read:

1           288.065 Rural Community Development Revolving Loan  
2 Fund.--

3           (1) The Rural Community Development Revolving Loan  
4 Fund Program is established in the Office of Tourism, Trade,  
5 and Economic Development to facilitate the use of existing  
6 federal, state, and local financial resources by providing  
7 local governments and economic development organizations  
8 substantially underwritten by a unit of local government with  
9 financial assistance to further promote the economic viability  
10 of rural communities. These funds may be used to finance  
11 initiatives directed toward maintaining or developing the  
12 economic base of rural communities, especially initiatives  
13 addressing employment opportunities for residents of these  
14 communities.

15           (2) The program shall provide for long-term loans,  
16 loan guarantees, and loan loss reserves to units of local  
17 governments or economic development organizations  
18 substantially underwritten by a unit of local government  
19 within counties with populations of 75,000 or less, or within  
20 any county that has a population of 100,000 or less and that  
21 is contiguous to a county with a population of 75,000 or less,  
22 as determined by the most recent official estimate pursuant to  
23 s. 186.901, residing in incorporated and unincorporated areas  
24 of the county. Requests for loans shall be made by application  
25 to the Office of Tourism, Trade, and Economic Development.  
26 Loans shall be made pursuant to agreements specifying the  
27 terms and conditions agreed to between the applicant ~~local~~  
28 ~~government~~ and the Office of Tourism, Trade, and Economic  
29 Development. The loans shall be the legal obligations of the  
30 applicant ~~local government~~. All repayments of principal and  
31 interest shall be returned to the loan fund and made available

1 for loans to other applicants. However, in a rural area of  
2 critical economic concern designated by the Governor, and upon  
3 approval by the Office of Tourism, Trade, and Economic  
4 Development, repayments of principal and interest may be  
5 retained by the applicant ~~a unit of local government~~ if such  
6 repayments are dedicated and matched to fund regionally based  
7 economic development organizations representing the rural area  
8 of critical economic concern.

9 Section 10. Section 290.004, Florida Statutes, is  
10 amended to read:

11 290.004 Definitions relating to Florida Enterprise  
12 Zone Act.--As used in ss. 290.001-290.016:

13 (1) "Community investment corporation" means a black  
14 business investment corporation, a certified development  
15 corporation, a small business investment corporation, or other  
16 similar entity incorporated under Florida law that has limited  
17 its investment policy to making investments solely in minority  
18 business enterprises.

19 ~~(2) "Department" means the Department of Commerce.~~

20 (2)~~(3)~~ "Director" means the director of the Office of  
21 Tourism, Trade, and Economic Development.

22 (3)~~(4)~~ "Governing body" means the council or other  
23 legislative body charged with governing the county or  
24 municipality.

25 (4)~~(5)~~ "Interagency coordinating council" means the  
26 Enterprise Zone Interagency Coordinating Council created  
27 pursuant to s. 290.009.

28 (5)~~(6)~~ "Minority business enterprise" has the same  
29 meaning as in s. 288.703.

30 (6)~~(7)~~ "Office" means the Office of Tourism, Trade,  
31 and Economic Development.

1       (7) "Rural enterprise zone" means an enterprise zone  
2 that is nominated by a county having a population of 75,000 or  
3 fewer, or a county having a population of 100,000 or fewer  
4 which is contiguous to a county having a population of 75,000  
5 or fewer, or by a municipality in such a county, or by such a  
6 county and one or more municipalities. An enterprise zone  
7 designated in accordance with s. 370.28 or s. 290.0065(5)(b)  
8 is considered to be a rural enterprise zone.

9       ~~(8) "Secretary" means the Secretary of Commerce.~~

10       (8)(9) "Small business" has the same meaning as in s.  
11 288.703.

12       Section 11. Subsections (1) and (6) of section  
13 290.0055, Florida Statutes, are amended to read:

14       290.0055 Local nominating procedure.--

15       (1) Any county or municipality, or a county and one or  
16 more municipalities together, may apply to the Office of  
17 Tourism, Trade, and Economic Development ~~department~~ for the  
18 designation of an area as an enterprise zone after completion  
19 of the following:

20       (a) The adoption by the governing body or bodies of a  
21 resolution which:

22       1. Finds that an area exists in such county or  
23 municipality, or in both the county and one or more  
24 municipalities, which chronically exhibits extreme and  
25 unacceptable levels of poverty, unemployment, physical  
26 deterioration, and economic disinvestment;

27       2. Determines that the rehabilitation, conservation,  
28 or redevelopment, or a combination thereof, of such area is  
29 necessary in the interest of the public health, safety, and  
30 welfare of the residents of such county or municipality, or  
31 such county and one or more municipalities; and



1           3. Determines that the revitalization of such area can  
2 occur only if the private sector can be induced to invest its  
3 own resources in productive enterprises that build or rebuild  
4 the economic viability of the area.

5           (b) The creation of an enterprise zone development  
6 agency pursuant to s. 290.0056.

7           (c) The creation and adoption of a strategic plan  
8 pursuant to s. 290.0057.

9           (6)(a) The office ~~department~~ may approve a change in  
10 the boundary of any enterprise zone which was designated  
11 pursuant to s. 290.0065 on or before July 1, 1995, if such  
12 change is limited to a deletion of area from the enterprise  
13 zone and if, after the change is made, the enterprise zone  
14 continues to satisfy the requirements of subsections (3), (4),  
15 and (5).

16           (b) The governing body of the jurisdiction which  
17 authorized the application for an enterprise zone may apply  
18 for a change in boundary by adopting a resolution that:

19           1. States with particularity the reasons for the  
20 change; and

21           2. Describes specifically and, to the extent required  
22 by the office ~~department~~, the boundary change to be made.

23           ~~(c) All applications for boundary changes must be~~  
24 ~~submitted to the department by April 1, 1997. Any boundary~~  
25 ~~changes approved shall be effective July 1, 1997.~~

26           Section 12. Subsection (12) of section 290.0056,  
27 Florida Statutes, is amended to read:

28           290.0056 Enterprise zone development agency.--

29           (12) In the event that the nominated area selected by  
30 the governing body is not designated a state enterprise zone,  
31 the governing body may dissolve the agency after receiving

1 notification from the ~~department or the~~ office that the area  
2 was not designated as an enterprise zone.

3 Section 13. Subsections (1) and (5) of section  
4 290.0058, Florida Statutes, are amended to read:

5 290.0058 Tests of pervasive poverty, unemployment, and  
6 general distress.--

7 (1) In determining whether an area suffers from  
8 pervasive poverty, unemployment, and general distress, for  
9 purposes of ss. 290.0055 and 290.0065, the governing body and  
10 the office ~~department~~ shall use data from the most current  
11 decennial census, and from information published by the Bureau  
12 of the Census and the Bureau of Labor Statistics. The data  
13 shall be comparable in point or period of time and methodology  
14 employed.

15 (5) In making the calculations required by this  
16 section, the local government and the office ~~department~~ shall  
17 round all fractional percentages of one-half percent or more  
18 up to the next highest whole percentage ~~figure~~.

19 Section 14. Subsections (1), (4), (5), (6), (7), and  
20 (9) of section 290.0065, Florida Statutes, are amended to  
21 read:

22 290.0065 State designation of enterprise zones.--

23 (1) Upon application of the governing body of a county  
24 or municipality or of a county and one or more municipalities  
25 jointly pursuant to s. 290.0055, Enterprise Florida, Inc., and  
26 the office ~~department~~, in consultation with the interagency  
27 coordinating council, shall determine which areas nominated by  
28 such governing bodies meet the criteria outlined in s.  
29 290.0055 and are the most appropriate for designation as state  
30 enterprise zones. The office ~~department~~ is authorized to  
31 designate up to 5 areas within each of the categories

1 established in subparagraphs (3)(a)1., 2., 3., 4., and 5.,  
2 except that the office ~~department~~ may only designate a total  
3 of 20 areas as enterprise zones. The office ~~department~~ shall  
4 not designate more than three enterprise zones in any one  
5 county. All designations, including any provision for  
6 redesignations, of state enterprise zones pursuant to this  
7 section shall be effective July 1, 1995.

8           (4)(a) Notwithstanding s. 290.0055, any area existing  
9 as a state enterprise zone as of the effective date of this  
10 section and originally approved through a joint application  
11 from a county and municipality, or through an application from  
12 a county as defined in s. 125.011(1), shall be redesignated as  
13 a state enterprise zone upon the creation of an enterprise  
14 zone development agency pursuant to s. 290.0056 and the  
15 completion of a strategic plan pursuant to s. 290.0057. Any  
16 area redesignated pursuant to this subsection, other than an  
17 area located in a county defined in s. 125.011(1), may be  
18 relocated or modified by the appropriate governmental bodies.  
19 Such relocation or modification shall be identified in the  
20 strategic plan and shall meet the requirements for designation  
21 as established by s. 290.005. Any relocation or modification  
22 shall be submitted on or before June 1, 1996.

23           (b) The office ~~department~~ shall place any area  
24 designated as a state enterprise zone pursuant to this  
25 subsection in the appropriate category established in  
26 subsection (3), and include such designations within the  
27 limitations on state enterprise zone designations set out in  
28 subsection (1).

29           (c) Any county or municipality having jurisdiction  
30 over an area designated as a state enterprise zone pursuant to  
31

1 this subsection, other than a county defined by s. 125.011(1),  
2 may not apply for designation of another area.

3 (5) Notwithstanding s. 290.0055, an area designated as  
4 a federal empowerment zone or enterprise community pursuant to  
5 Title XIII of the Omnibus Budget Reconciliation Act of 1993,  
6 the Taxpayer Relief Act of 1997, or the 1999 Agricultural  
7 Appropriations Act shall be designated a state enterprise zone  
8 as follows:

9 (a) An area designated as an urban empowerment zone or  
10 urban enterprise community pursuant to Title XIII of the  
11 Omnibus Budget Reconciliation Act of 1993 or the Taxpayer  
12 Relief Act of 1997 shall be designated a state enterprise zone  
13 by the office ~~department~~ upon completion of the requirements  
14 set out in paragraph (d), except in the case of a county as  
15 defined in s. 125.011(1) which, notwithstanding s. 290.0055,  
16 may incorporate and include such designated urban empowerment  
17 zone or urban enterprise community areas within the boundaries  
18 of its state enterprise zones without any limitation as to  
19 size.

20 (b) An area designated as a rural empowerment zone or  
21 rural enterprise community pursuant to Title XIII of the  
22 Omnibus Budget Reconciliation Act of 1993 or the 1999  
23 Agricultural Appropriations Act or an area designated as a  
24 rural champion community under the Taxpayer Relief Act of 1997  
25 shall be designated a state rural enterprise zone by the  
26 office ~~department~~ upon completion of the requirements set out  
27 in paragraph (d). The state rural enterprise zone so  
28 designated may incorporate and include such designated rural  
29 empowerment zone, rural enterprise community, or rural  
30 champion community within its boundaries without any  
31 limitation as to size.

1 (c) Any county or municipality having jurisdiction  
2 over an area designated as a state enterprise zone pursuant to  
3 this subsection, other than a county defined in s. 125.011(1),  
4 may not apply for designation of another area.

5 (d) Prior to designating such areas as state  
6 enterprise zones, the office department shall ensure that the  
7 governing body having jurisdiction over the zone submits the  
8 strategic plan required pursuant to 7 C.F.R. part 25 or 24  
9 C.F.R. part 597 to the office department, and creates an  
10 enterprise zone development agency pursuant to s. 290.0056.

11 (e) The office department shall place any area  
12 designated as a state enterprise zone pursuant to this  
13 subsection in the appropriate category established in  
14 subsection (3), and include such designations within the  
15 limitations on state enterprise zone designations set out in  
16 subsection (1).

17 (6)(a) The office department, in consultation with  
18 Enterprise Florida, Inc., and the interagency coordinating  
19 council, may develop guidelines ~~shall promulgate any rules~~  
20 necessary for the approval of areas under this section by the  
21 director ~~secretary~~.

22 (b) The guidelines may ~~Such rules shall~~ provide for  
23 the measurement of pervasive poverty, unemployment, and  
24 general distress using the criteria outlined by s. 290.0058.

25 (c) The guidelines may ~~Such rules shall~~ provide for  
26 the evaluation of the strategic plan and local fiscal and  
27 regulatory incentives for effectiveness, including how the  
28 following key principles will be implemented by the governing  
29 body or bodies:

30 1. Economic opportunity, including job creation within  
31 the community and throughout the region, as well as

1 entrepreneurial initiatives, small business expansion, and  
2 training for jobs that offer upward mobility.

3           2. Sustainable community development that advances the  
4 creation of livable and vibrant communities through  
5 comprehensive approaches that coordinate economic, physical,  
6 community, and human development.

7           3. Community-based partnerships involving the  
8 participation of all segments of the community.

9           4. Strategic vision for change that identifies how the  
10 community will be revitalized. This vision should include  
11 methods for building on community assets and coordinate a  
12 response to community needs in a comprehensive fashion. This  
13 vision should provide goals and performance benchmarks for  
14 measuring progress and establish a framework for evaluating  
15 and adjusting the strategic plan.

16           5. Local fiscal and regulatory incentives enacted  
17 pursuant to s. 290.0057(1)(e). These incentives should induce  
18 economic revitalization, including job creation and small  
19 business expansion.

20           (d) The guidelines may ~~Such rules shall~~ provide  
21 methods for evaluating the prospects for new investment and  
22 economic development in the area, including a review and  
23 evaluation of any previous state enterprise zones located in  
24 the area.

25           (7) Upon approval by the director ~~secretary~~ of a  
26 resolution authorizing an area to be an enterprise zone  
27 pursuant to this section, the office ~~department~~ shall assign a  
28 unique identifying number to that resolution. The office  
29 ~~department~~ shall provide the Department of Revenue and  
30 Enterprise Florida, Inc., with a copy of each resolution  
31 approved, together with its identifying number.

1           (9) Upon recommendation by Enterprise Florida, Inc.,  
2 the Office of Tourism, Trade, and Economic Development may  
3 amend the boundaries of any enterprise zone designated by the  
4 state pursuant to this section, consistent with the  
5 categories, criteria, and limitations imposed in this section  
6 upon the establishment of such enterprise zone ~~and only if~~  
7 ~~consistent with the determinations made in s. 290.0058(2).~~

8           Section 15. Section 290.00676, Florida Statutes, is  
9 created to read:

10           290.00676 Amendment of rural enterprise zone  
11 boundaries.--Notwithstanding any other provision of law, upon  
12 recommendation by Enterprise Florida, Inc., the Office of  
13 Tourism, Trade, and Economic Development may approve a request  
14 to amend the boundaries of rural enterprise zones. For  
15 purposes of boundary amendments, an enterprise zone designated  
16 under s. 370.28 is considered a rural enterprise zone and is  
17 eligible for amendment of its boundaries. Boundary amendments  
18 authorized by this section are subject to the following  
19 requirements:

20           (1) The amendment may increase the total size of the  
21 rural enterprise zone up to 20 square miles.

22           (2) The amendment may increase the number of  
23 noncontiguous areas by one, if that noncontiguous area has  
24 zero population. For purposes of this subsection, the  
25 pervasive poverty criteria may be set aside for the addition  
26 of a noncontiguous parcel.

27           (3) The local enterprise zone development agency must  
28 request the amendment from Enterprise Florida, Inc., before  
29 December 30, 2001. The request must contain maps and  
30 sufficient information to allow the office to determine the  
31

1 number of noncontiguous areas and the total size of the rural  
2 enterprise zone.

3 Section 16. Section 290.00677, Florida Statutes, is  
4 created to read:

5 290.00677 Rural enterprise zones; special  
6 qualifications.--

7 (1) Notwithstanding the enterprise zone residency  
8 requirements set out in ss. 212.096(1)(c) and 220.03(1)(q),  
9 businesses located in rural enterprise zones may receive the  
10 credit provided under s. 212.096 or s. 220.181 for hiring any  
11 person in a new job within the jurisdiction of a rural county,  
12 as defined by s. 288.106(1)(r). All other provisions of ss.  
13 212.096, 220.03(1)(q), and 220.181 apply to such businesses.

14 (2) Notwithstanding the requirement specified in ss.  
15 212.08(5)(g)5., (5)(h)5., and (15)(a), 212.096(2)(b)1.,  
16 220.181(1)(a)1., and 220.182(1)(b) that at least 20 percent of  
17 a business's employees, excluding temporary and part-time  
18 employees, must be residents of an enterprise zone for the  
19 business to qualify for the maximum exemption or credit  
20 provided in ss. 212.08(5)(g) and (h) and (15),  
21 212.096(2)(b)1., 220.181(1)(a)1., and 220.182, a business that  
22 is located in a rural enterprise zone is qualified for those  
23 maximum exemptions or credits if at least 20 percent of such  
24 employees of the business are residents of a rural enterprise  
25 zone as defined by s. 290.004(7). All other provisions of ss.  
26 212.08(5)(g) and (h) and (15), 212.096, 220.181, and 220.182  
27 apply to such business.

28 Section 17. Section 290.00694, Florida Statutes, is  
29 created to read:

30 290.00694 Enterprise zone designation for rural  
31 communities.--An area designated as a rural champion community



1 under the Taxpayer Relief Act of 1997 or a community within a  
2 designated rural area of critical economic concern may apply  
3 to Enterprise Florida, Inc., for designation as an enterprise  
4 zone. The application must be submitted by December 31, 2001.  
5 Notwithstanding the provisions of s. 290.0065 limiting the  
6 total number of enterprise zones designated and the number of  
7 enterprise zones within a population category, the Office of  
8 Tourism, Trade, and Economic Development may designate  
9 enterprise zones under this section. Upon completion of the  
10 requirements set out in s. 290.0065(5)(d), the Office of  
11 Tourism, Trade, and Economic Development shall establish the  
12 initial effective date of the enterprise zones designated  
13 under this section.

14           Section 18. This act shall take effect July 1, 2001.  
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HOUSE SUMMARY

Increases the enterprise zone jobs credits against the sales tax and corporate income tax and revises the method of computing the credits. Provides increased credits for a business located in a rural enterprise zone. Increases the period during which the credits may be allowed. Provides that a business eligible for the qualified target industry business tax refund is eligible for the rural job tax credit program.

Authorizes the Office of Tourism, Trade, and Economic Development to contract with Enterprise Florida, Inc., to administer the Regional Rural Development Grants Program. Provides duties of the member agencies of the Rural Economic Development Initiative with respect to review and modification of grant and loan application evaluation criteria and scoring procedures to ensure rural access, waiver or reduction of financial match requirements for rural projects, and review of proposed rules. Provides that an economic development organization substantially underwritten by a unit of local government is eligible for loans under the Rural Community Development Revolving Loan Fund Program.

Revises provisions relating to enterprise zones. Corrects obsolete references. Revises requirements relating to boundary changes. Provides certain duties of Enterprise Florida, Inc. Authorizes the Office of Tourism, Trade, and Economic Development to amend the boundaries of a rural enterprise zone and to designate certain rural areas as enterprise zones. Modifies employee residency requirements for various enterprise zone tax credits if the business is located in a rural enterprise zone.