

By the Committee on Commerce and Economic Opportunities; and
Senator Klein

310-1638-01

1 A bill to be entitled
2 An act relating to economic development;
3 creating the "Florida Emerging and Strategic
4 Technologies Act"; creating s. 112.3133, F.S.;
5 providing legislative findings and intent
6 relating to the transfer of technology and
7 conflicts of interest for public university
8 employees; directing the State Board of
9 Education to develop guidelines for public
10 universities requiring disclosure of employees'
11 significant financial interests; prescribing
12 minimum requirements for such guidelines;
13 defining the term "significant financial
14 interests"; requiring public universities to
15 enforce and oversee implementation of such
16 guidelines; requiring a report; creating s.
17 121.155, F.S.; providing legislative findings
18 relating to the relationship between
19 availability of capital and the development of
20 high-technology businesses; expressing
21 legislative intent that Florida Retirement
22 System investments complement economic
23 development strategies; requiring staff of the
24 State Board of Administration to review certain
25 economic development information; expanding
26 annual report requirements; amending s. 159.26,
27 F.S.; declaring, for purposes of the Florida
28 Industrial Development Financing Act, that the
29 information technology industry is vital to the
30 economy of the state; providing that the
31 advancement of information technology is a

1 purpose underlying the act; amending s. 159.27,
2 F.S.; redefining the term "project" to include
3 information technology facilities; defining the
4 term "information technology facility";
5 amending s. 212.08, F.S.; revising the sales
6 and use tax exemption for certain machinery and
7 equipment to include machinery and equipment
8 used by health technology facilities to produce
9 health technology products, as defined, and
10 machinery and equipment used in research and
11 development or manufacturing in a health
12 technology facility; expanding a sales tax
13 exemption for clean-room building materials to
14 include health-technology facilities; amending
15 s. 220.02, F.S.; expressing legislative intent
16 on the order in which a corporate income tax
17 credit for certain education costs should be
18 applied; amending s. 220.13, F.S.; redefining
19 the term "adjusted federal income" to conform
20 to the creation of a corporate income tax
21 credit for certain information technology
22 education costs; creating s. 220.192, F.S.;
23 authorizing a credit against corporate income
24 tax for certain information technology
25 education costs paid by an employer on behalf
26 of an employee; providing eligibility and
27 application requirements; providing for
28 administration and expiration of the tax credit
29 program; providing a definition; creating s.
30 240.1055, F.S.; providing that the mission of
31 the state system of postsecondary education

1 includes supporting the economic development
2 goals of the state; expressing legislative
3 intent; amending s. 240.710, F.S.; revising
4 duties relating to the Digital Media Education
5 Coordination Group; eliminating obsolete
6 provisions; providing for the group to submit
7 an annual report; amending s. 288.095, F.S.;
8 raising the amount of the total state share of
9 tax refunds that may be scheduled annually for
10 payment under the qualified target industry tax
11 refund program; amending s. 288.108, F.S.;
12 specifying that the information technology
13 sector is a high-impact sector for the purposes
14 of a grant program for investments by certain
15 businesses; amending s. 288.911, F.S.;
16 requiring Enterprise Florida, Inc., to develop
17 and implement a marketing campaign to promote
18 high-technology industries; providing the
19 purpose of such campaign; requiring
20 coordination with specified entities in the
21 development of such campaign; prescribing
22 components of such campaign; providing
23 legislative intent relating to the provision of
24 state assistance to a not-for-profit
25 corporation created to advocate on behalf of
26 the information technology industry; creating
27 s. 288.9522, F.S.; creating the Florida
28 Research Consortium; providing for the
29 organization, membership, purpose, powers, and
30 administration of the consortium; requiring an
31 annual report from the consortium and its

1 member universities; amending s. 445.045, F.S.;
2 reassigning responsibility for development and
3 maintenance of an information technology
4 promotion and workforce recruitment website to
5 Workforce Florida, Inc.; requiring consistency
6 and compatibility with other information
7 systems; authorizing Workforce Florida, Inc.,
8 to secure website services from outside
9 entities; requiring coordination of the
10 information technology website with other
11 marketing, promotion, and advocacy efforts;
12 directing Workforce Florida, Inc., to establish
13 a pilot grant program for youth internships in
14 high-technology fields, subject to legislative
15 appropriation; specifying the amount of a grant
16 under the program; providing for eligibility;
17 requiring an eligible business to submit an
18 internship work plan; specifying criteria for
19 evaluating an application for funding of an
20 internship; requiring Workforce Florida, Inc.,
21 to report the outcomes of the pilot program to
22 the Legislature; providing legislative findings
23 and intent relating to establishment of
24 joint-use advanced digital-media research and
25 production facilities; authorizing the Office
26 of Tourism, Trade, and Economic Development to
27 create a program supporting establishment of
28 such facilities; prescribing the purposes of
29 such facilities; specifying powers and duties
30 of the office relating to establishment of such
31 facilities; defining the term "digital media";

1 providing appropriations; providing an
2 effective date.

3
4 WHEREAS, Enterprise Florida, Inc., has sector
5 strategies devoted to Florida's health technology industry and
6 information technology industry, and

7 WHEREAS, the health technology industry and information
8 technology industry represent valued and growing sectors of
9 Florida's economy, and

10 WHEREAS, these industries employ Floridians at high
11 average wages, and

12 WHEREAS, these industries are dominated by small
13 employers and entrepreneurs who look to the state, its
14 communities, economic development organizations, and community
15 colleges and universities to provide an environment that will
16 nurture their development, and

17 WHEREAS, these industries have identified issues
18 relating to tax policy, workforce development, transfer of
19 technology from universities, and availability of capital as
20 affecting their viability and development, and

21 WHEREAS, the issues affecting the viability and
22 development of these industries are also critical to other
23 emerging and strategic high-technology industries that are
24 critically important to the economic development of the state
25 in the New Economy, and

26 WHEREAS, high-technology industries improve the quality
27 of life for all Floridians, and

28 WHEREAS, the Florida Legislature recognizes the
29 importance of high-technology industries to our state, NOW,
30 THEREFORE,

31

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

2

3 Section 1. This act may be cited as the "Florida
4 Emerging and Strategic Technologies Act."

5 Section 2. Section 112.3133, Florida Statutes, is
6 created to read:

7 112.3133 Standards of conduct applicable to technology
8 transfer at public universities.--

9 (1) The Legislature finds that promoting objectivity
10 in research at public universities is important to ensure that
11 conflicts of interest do not compromise the responsibility of
12 faculty, researchers, staff, and students to the state and the
13 public educational institutions they represent. The
14 Legislature also finds, however, that the transfer of
15 technology from the university setting to the private sector
16 produces economic development benefits for the state and its
17 citizens and is a laudable public policy goal of the state.
18 Therefore, it is the intent of the Legislature that public
19 universities in the state operate under policies and
20 procedures that safeguard the public trust by providing for
21 disclosure of significant financial interests but that also
22 facilitate the transfer of technology by not unduly burdening
23 the building of relationships among university employees and
24 business entities.

25 (2) Notwithstanding any provision of law to the
26 contrary, the State Board of Education shall develop by
27 January 1, 2002, guidelines governing conflicts of interest,
28 which guidelines permit an employee of a public university to
29 have or hold an employment, contractual, or other relationship
30 with a business entity that is doing business with the public
31 university, provided that such relationship relates to or

1 emanates from the transfer and commercialization of technology
2 developed at the university.

3 (3) The guidelines must, at a minimum:

4 (a) Specify that an employee shall submit to a
5 designated official at each university a statement of
6 significant financial interests of the employee. The statement
7 shall cover the employee's significant financial interests:

8 1. That would reasonably appear to be affected by
9 research or other activities in which the employee is engaged
10 at the university; and

11 2. In entities whose financial interests would
12 reasonably appear to be affected by the research or other
13 activities in which the employee is engaged at the university.

14 (b) Require that such statements be updated annually
15 or as new reportable significant financial interests are
16 obtained.

17 (c) Provide for adequate enforcement mechanisms and
18 provide for sanctions where appropriate.

19 (4) For the purposes of this section, the term
20 "significant financial interests" shall have the same meaning
21 as provided in regulations of the U.S. Department of Health
22 and Human Services governing objectivity in research for which
23 funding from the Public Health Service is sought, as contained
24 in 42 C.F.R. part 50, subpart F.

25 (5) Each public university subject to regulation by
26 the State Board of Administration shall establish a process to
27 enforce and oversee the guidelines developed under this
28 section, including, at a minimum, a process for the receipt,
29 review, and recording of each employee's statements of
30 significant financial interests required to be submitted under
31 this section. Each university must designate an institutional

1 official to solicit and review such financial disclosure
2 statements from employees.

3 (6) The State Board of Education shall consult with
4 the board of directors of the Florida Research Consortium in
5 developing the guidelines required by this section.

6 (7) The State Board of Education shall report to the
7 Governor, the President of the Senate, and the Speaker of the
8 House of Representatives by February 1, 2002, on any
9 recommended statutory changes necessary to facilitate or
10 enhance the implementation or enforcement of the guidelines
11 developed under this section, as well as on any statutory
12 changes designed to improve the transfer of technology from
13 public universities.

14 Section 3. Section 121.155, Florida Statutes, is
15 created to read:

16 121.155 Investments in support of economic development
17 strategies; legislative findings and intent.--

18 (1) The Legislature finds that:

19 (a) The recruitment, retention, and expansion of
20 high-technology businesses are a principal economic
21 development strategy of the state.

22 (b) High-technology businesses have the potential to
23 contribute significantly to the prosperity of the state and
24 its residents through the creation of employment opportunities
25 and through the generation of revenues into the economy.

26 (c) A significant barrier to the growth of
27 high-technology businesses in the state is caused by a lack of
28 access to sources of capital to support the activities of such
29 businesses.

30 (d) The State Board of Administration, through the
31 investment of funds of the System Trust Fund, has the ability

1 to influence the availability of capital in the marketplace
2 for businesses located in the state.

3 (e) The investment of funds of the System Trust Fund
4 in a manner consistent with the economic development goals of
5 the state enhances the prospects for fulfillment of such
6 goals.

7 (2) It is the intent of the Legislature that the State
8 Board of Administration, consistent with sound investment
9 policy and with the investment provisions set forth in ss.
10 215.44-215.53, maximize opportunities to invest and reinvest
11 available funds of the System Trust Fund in a manner that is
12 consistent with, and that supports fulfillment of, the
13 economic development strategies of the state, including
14 investing and reinvesting funds in support of the capital
15 needs of emerging and strategic high-technology businesses
16 located in the state. It is further the intent of the
17 Legislature that the State Board of Administration, in
18 supporting fulfillment of the economic development strategies
19 of the state, establish partnerships, where feasible, with
20 venture capital firms designed to facilitate investment of
21 venture capital in high-technology businesses located in this
22 state.

23 (3) Staff of the State Board of Administration shall
24 regularly solicit information from Enterprise Florida, Inc.,
25 on those high-technology business sectors that research
26 indicates have significant potential to contribute to the
27 economic development of the state and shall provide such
28 information to the Investment Advisory Council created under
29 s. 215.444.

30 (4) As part of the annual report required under s.
31 215.44, the State Board of Administration shall describe those

1 investment activities during the year in furtherance of the
2 findings and intent of this section.

3 Section 4. Section 159.26, Florida Statutes, is
4 amended to read:

5 159.26 Legislative findings and purposes.--The
6 Legislature finds and declares that:

7 (1) The agriculture, tourism, urban development,
8 historic preservation, information technology, education, and
9 health care industries, among others, are vital to the economy
10 of the state and to the welfare of the people and need to be
11 enhanced and expanded to improve the competitive position of
12 the state;

13 (2) There is a need to enhance other economic activity
14 in the state by attracting manufacturing development, business
15 enterprise management, and other activities conducive to
16 economic promotion in order to provide a stronger, more
17 balanced, and stable economy in the state, while providing
18 through pollution control and otherwise for the health and
19 safety of the people;

20 (3) In order to improve the prosperity and welfare of
21 the state and its inhabitants; to improve education, living
22 conditions, and health care; to promote the preservation of
23 historic structures; to promote the rehabilitation of
24 enterprise zones; to promote improved transportation; to
25 promote effective and efficient pollution control throughout
26 the state; to promote the advancement of education and science
27 and research in and the economic development of the state; to
28 promote the advancement of information technology; and to
29 increase purchasing power and opportunities for gainful
30 employment, it is necessary and in the public interest to
31 facilitate the financing of the projects provided for in this

1 part and to facilitate and encourage the planning and
2 development of these projects without regard to the boundaries
3 between counties, municipalities, special districts, and other
4 local governmental bodies or agencies in order to more
5 effectively and efficiently serve the interests of the
6 greatest number of people in the widest area practicable; and

7 (4) The purposes to be achieved by such projects and
8 the financing of them in compliance with the criteria and
9 requirements of this part are predominantly the public
10 purposes stated in this section, and such purposes implement
11 the governmental purposes under the State Constitution of
12 providing for the health, safety, and welfare of the people,
13 including implementing the purpose of s. 10(c), Art. VII of
14 the State Constitution.

15 Section 5. Subsection (5) of section 159.27, Florida
16 Statutes, is amended, and subsection (25) is added to that
17 section to read:

18 159.27 Definitions.--The following words and terms,
19 unless the context clearly indicates a different meaning,
20 shall have the following meanings:

21 (5) "Project" means any capital project comprising an
22 industrial or manufacturing plant, a research and development
23 park, an information technology facility, an agricultural
24 processing or storage facility, a warehousing or distribution
25 facility, a headquarters facility, a tourism facility, a
26 convention or trade show facility, an urban parking facility,
27 a trade center, a health care facility, an educational
28 facility, a correctional or detention facility, a motion
29 picture production facility, a preservation or rehabilitation
30 of a certified historic structure, an airport or port
31 facility, a commercial project in an enterprise zone, a

1 pollution-control facility, a hazardous or solid waste
2 facility, a social service center, or a mass commuting
3 facility, including one or more buildings and other
4 structures, whether or not on the same site or sites; any
5 rehabilitation, improvement, renovation, or enlargement of, or
6 any addition to, any buildings or structures for use as a
7 factory, a mill, a processing plant, an assembly plant, a
8 fabricating plant, an industrial distribution center, a
9 repair, overhaul, or service facility, a test facility, an
10 agricultural processing or storage facility, a warehousing or
11 distribution facility, a headquarters facility, a tourism
12 facility, a convention or trade show facility, an urban
13 parking facility, a trade center, a health care facility, an
14 educational facility, a correctional or detention facility, a
15 motion picture production facility, a preservation or
16 rehabilitation of a certified historic structure, an airport
17 or port facility, a commercial project in an enterprise zone,
18 a pollution-control facility, a hazardous or solid waste
19 facility, a social service center, or a mass commuting
20 facility, and other facilities, including research and
21 development facilities and information technology facilities,
22 for manufacturing, processing, assembling, repairing,
23 overhauling, servicing, testing, or handling of any products
24 or commodities embraced in any industrial or manufacturing
25 plant, in connection with the purposes of a research and
26 development park, or other facilities for or used in
27 connection with an agricultural processing or storage
28 facility, a warehousing or distribution facility, a
29 headquarters facility, a tourism facility, a convention or
30 trade show facility, an urban parking facility, a trade
31 center, a health care facility, an educational facility, a

1 correctional or detention facility, a motion picture
2 production facility, a preservation or rehabilitation of a
3 certified historic structure, an airport or port facility, or
4 a commercial project in an enterprise zone or for controlling
5 air or water pollution or for the disposal, processing,
6 conversion, or reclamation of hazardous or solid waste, a
7 social service center, or a mass commuting facility; and
8 including also the sites thereof and other rights in land
9 therefor whether improved or unimproved, machinery, equipment,
10 site preparation and landscaping, and all appurtenances and
11 facilities incidental thereto, such as warehouses, utilities,
12 access roads, railroad sidings, truck docking and similar
13 facilities, parking facilities, office or storage or training
14 facilities, public lodging and restaurant facilities, dockage,
15 wharfage, solar energy facilities, and other improvements
16 necessary or convenient for any manufacturing or industrial
17 plant, research and development park, information technology
18 facility, agricultural processing or storage facility,
19 warehousing or distribution facility, tourism facility,
20 convention or trade show facility, urban parking facility,
21 trade center, health care facility, educational facility, a
22 correctional or detention facility, motion picture production
23 facility, preservation or rehabilitation of a certified
24 historic structure, airport or port facility, commercial
25 project in an enterprise zone, pollution-control facility,
26 hazardous or solid waste facility, social service center, or a
27 mass commuting facility and any one or more combinations of
28 the foregoing.

29 (25) "Information technology facility" means a
30 building or structure, including infrastructure such as roads,
31 power, water, network access points, and fiber optic cable

1 leading to the structure, which is used to house businesses
2 classified within the following standard industrial
3 classifications: SIC 3571 (electronic computers); SIC 3572
4 (computer storage devices); SIC 3575 (computer terminals); SIC
5 3577 (computer peripheral equipment); SIC 3661 (telephone and
6 telegraph apparatus); SIC 3663 (radio and television
7 broadcasting and communications equipment); SIC 3669
8 (communications equipment); SIC 3671 (electron tubes); SIC
9 3672 (printed circuit boards); SIC 3674 (semiconductors and
10 related devices); SIC 3678 (electronic connectors); SIC 3679
11 (electronic components); SIC 4812 (radiotelephone
12 communications); SIC 4813 (telephone communications); SIC 4822
13 (telegraph and other message communications); SIC 5045
14 (computers, peripherals, and software); SIC 5065 (electronic
15 parts and equipment); SIC 7371 (computer programming
16 services); SIC 7372 (prepackaged software); SIC 7373 (computer
17 integrated systems design); SIC 7374 (computer processing and
18 data preparation and processing services); SIC 7375
19 (information retrieval services); SIC 7377 (computer rental
20 and leasing); SIC 7378 (computer maintenance and repair); and
21 SIC 7379 (computer-related services).

22 Section 6. Paragraph (j) of subsection (5) of section
23 212.08, Florida Statutes, is amended to read:

24 212.08 Sales, rental, use, consumption, distribution,
25 and storage tax; specified exemptions.--The sale at retail,
26 the rental, the use, the consumption, the distribution, and
27 the storage to be used or consumed in this state of the
28 following are hereby specifically exempt from the tax imposed
29 by this chapter.

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

31

1 (j) Machinery and equipment used in semiconductor,
2 health, defense, or space technology production and research
3 and development.--

4 1.a. Industrial machinery and equipment used in
5 semiconductor technology facilities or health technology
6 facilities certified under subparagraph 6. to manufacture,
7 process, compound, or produce semiconductor technology
8 products or health technology products for sale or for use by
9 these facilities are exempt from the tax imposed by this
10 chapter. For purposes of this paragraph, industrial machinery
11 and equipment includes molds, dies, machine tooling, other
12 appurtenances or accessories to machinery and equipment,
13 testing equipment, test beds, computers, and software, whether
14 purchased or self-fabricated, and, if self-fabricated,
15 includes materials and labor for design, fabrication, and
16 assembly.

17 b. Industrial machinery and equipment used in defense
18 or space technology facilities certified under subparagraph 6.
19 to manufacture, process, compound, or produce defense
20 technology products or space technology products for sale or
21 for use by these facilities are exempt from 25 percent of the
22 tax imposed by this chapter.

23 2.a. Machinery and equipment are exempt from the tax
24 imposed by this chapter if used predominately in semiconductor
25 wafer or health technology research and development activities
26 in a semiconductor technology or health technology research
27 and development facility certified under subparagraph 6. For
28 purposes of this paragraph, machinery and equipment includes
29 molds, dies, machine tooling, other appurtenances or
30 accessories to machinery and equipment, testing equipment,
31 test beds, computers, and software, whether purchased or

1 self-fabricated, and, if self-fabricated, includes materials
2 and labor for design, fabrication, and assembly.

3 b. Machinery and equipment are exempt from 25 percent
4 of the tax imposed by this chapter if used predominately in
5 defense or space research and development activities in a
6 defense or space technology research and development facility
7 certified under subparagraph 6.

8 3. Building materials purchased for use in
9 manufacturing or expanding clean rooms in
10 semiconductor-manufacturing facilities or
11 health-technology-manufacturing facilities are exempt from the
12 tax imposed by this chapter.

13 4. In addition to meeting the criteria mandated by
14 subparagraph 1., subparagraph 2., or subparagraph 3., a
15 business must be certified by the Office of Tourism, Trade,
16 and Economic Development as authorized in this paragraph in
17 order to qualify for exemption under this paragraph.

18 5. For items purchased tax exempt pursuant to this
19 paragraph, possession of a written certification from the
20 purchaser, certifying the purchaser's entitlement to exemption
21 pursuant to this paragraph, relieves the seller of the
22 responsibility of collecting the tax on the sale of such
23 items, and the department shall look solely to the purchaser
24 for recovery of tax if it determines that the purchaser was
25 not entitled to the exemption.

26 6.a. To be eligible to receive the exemption provided
27 by subparagraph 1., subparagraph 2., or subparagraph 3., a
28 qualifying business entity shall apply to Enterprise Florida,
29 Inc. The application shall be developed by the Office of
30 Tourism, Trade, and Economic Development in consultation with
31 Enterprise Florida, Inc.

1 b. Enterprise Florida, Inc., shall review each
2 submitted application and information and determine whether or
3 not the application is complete within 5 working days. Once an
4 application is complete, Enterprise Florida, Inc., shall,
5 within 10 working days, evaluate the application and recommend
6 approval or disapproval of the application to the Office of
7 Tourism, Trade, and Economic Development.

8 c. Upon receipt of the application and recommendation
9 from Enterprise Florida, Inc., the Office of Tourism, Trade,
10 and Economic Development shall certify within 5 working days
11 those applicants who are found to meet the requirements of
12 this section and notify the applicant, Enterprise Florida,
13 Inc., and the department of the certification. If the Office
14 of Tourism, Trade, and Economic Development finds that the
15 applicant does not meet the requirements of this section, it
16 shall notify the applicant and Enterprise Florida, Inc.,
17 within 10 working days that the application for certification
18 has been denied and the reasons for denial. The Office of
19 Tourism, Trade, and Economic Development has final approval
20 authority for certification under this section.

21 7.a. A business may apply once each year for the
22 exemption.

23 b. The application must indicate, for program
24 evaluation purposes only, the average number of full-time
25 equivalent employees at the facility over the preceding
26 calendar year, the average wage and benefits paid to those
27 employees over the preceding calendar year, the total
28 investment made in real and tangible personal property over
29 the preceding calendar year, and the total value of tax-exempt
30 purchases and taxes exempted during the previous year. The
31 department shall assist the Office of Tourism, Trade, and

1 Economic Development in evaluating and verifying information
2 provided in the application for exemption.

3 c. The Office of Tourism, Trade, and Economic
4 Development may use the information reported on the
5 application for evaluation purposes only and shall prepare an
6 annual report on the exemption program and its cost and
7 impact. The annual report for the preceding fiscal year shall
8 be submitted to the Governor, the President of the Senate, and
9 the Speaker of the House of Representatives by September 30 of
10 each fiscal year. This report may be submitted in conjunction
11 with the annual report required in s. 288.095(3)(c).

12 8. A business certified to receive this exemption may
13 elect to designate one or more state universities or community
14 colleges as recipients of up to 100 percent of the amount of
15 the exemption for which they may qualify. To receive these
16 funds, the institution must agree to match the funds so earned
17 with equivalent cash, programs, services, or other in-kind
18 support on a one-to-one basis in the pursuit of research and
19 development projects as requested by the certified business.
20 The rights to any patents, royalties, or real or intellectual
21 property must be vested in the business unless otherwise
22 agreed to by the business and the university or community
23 college.

24 9. As used in this paragraph, the term:

25 a. "Predominately" means at least 50 percent of the
26 time in qualifying research and development.

27 b. "Research and development" means basic and applied
28 research in the science or engineering, as well as the design,
29 development, and testing of prototypes or processes of new or
30 improved products. Research and development does not include
31 market research, routine consumer product testing, sales

1 research, research in the social sciences or psychology,
2 nontechnological activities, or technical services.

3 c. "Semiconductor technology products" means raw
4 semiconductor wafers or semiconductor thin films that are
5 transformed into semiconductor memory or logic wafers,
6 including wafers containing mixed memory and logic circuits;
7 related assembly and test operations; active-matrix flat panel
8 displays; semiconductor chips; semiconductor lasers;
9 optoelectronic elements; and related semiconductor technology
10 products as determined by the Office of Tourism, Trade, and
11 Economic Development.

12 d. "Clean rooms" means manufacturing facilities
13 enclosed in a manner that meets the clean manufacturing
14 requirements necessary for high-technology
15 semiconductor-manufacturing environments.

16 e. "Defense technology products" means products that
17 have a military application, including, but not limited to,
18 weapons, weapons systems, guidance systems, surveillance
19 systems, communications or information systems, munitions,
20 aircraft, vessels, or boats, or components thereof, which are
21 intended for military use and manufactured in performance of a
22 contract with the United States Department of Defense or the
23 military branch of a recognized foreign government or a
24 subcontract thereunder which relates to matters of national
25 defense.

26 f. "Space technology products" means products that are
27 specifically designed or manufactured for application in space
28 activities, including, but not limited to, space launch
29 vehicles, missiles, satellites or research payloads, avionics,
30 and associated control systems and processing systems. The
31 term does not include products that are designed or

1 manufactured for general commercial aviation or other uses
2 even though those products may also serve an incidental use in
3 space applications.

4 g. "Health technology products" means
5 biopharmaceutical or biological drugs; surgical, medical, and
6 dental instruments, supplies, and devices; ophthalmic goods;
7 laboratory apparatus; laboratory analytical instruments;
8 optical instruments and lenses; and related health technology
9 products as determined by the Office of Tourism, Trade, and
10 Economic Development, in consultation with Enterprise Florida,
11 Inc.

12 Section 7. Subsection (8) of section 220.02, Florida
13 Statutes, is amended to read:

14 220.02 Legislative intent.--

15 (8) It is the intent of the Legislature that credits
16 against either the corporate income tax or the franchise tax
17 be applied in the following order: those enumerated in s.
18 631.828, those enumerated in s. 220.191, those enumerated in
19 s. 220.181, those enumerated in s. 220.183, those enumerated
20 in s. 220.182, those enumerated in s. 220.1895, those
21 enumerated in s. 221.02, those enumerated in s. 220.184, those
22 enumerated in s. 220.186, those enumerated in s. 220.1845,
23 those enumerated in s. 220.19, ~~and~~ those enumerated in s.
24 220.185, and those enumerated in s. 220.192.

25 Section 8. Paragraph (a) of subsection (1) of section
26 220.13, Florida Statutes, is amended to read:

27 220.13 "Adjusted federal income" defined.--

28 (1) The term "adjusted federal income" means an amount
29 equal to the taxpayer's taxable income as defined in
30 subsection (2), or such taxable income of more than one
31

1 taxpayer as provided in s. 220.131, for the taxable year,
2 adjusted as follows:

3 (a) Additions.--There shall be added to such taxable
4 income:

5 1. The amount of any tax upon or measured by income,
6 excluding taxes based on gross receipts or revenues, paid or
7 accrued as a liability to the District of Columbia or any
8 state of the United States which is deductible from gross
9 income in the computation of taxable income for the taxable
10 year.

11 2. The amount of interest which is excluded from
12 taxable income under s. 103(a) of the Internal Revenue Code or
13 any other federal law, less the associated expenses disallowed
14 in the computation of taxable income under s. 265 of the
15 Internal Revenue Code or any other law, excluding 60 percent
16 of any amounts included in alternative minimum taxable income,
17 as defined in s. 55(b)(2) of the Internal Revenue Code, if the
18 taxpayer pays tax under s. 220.11(3).

19 3. In the case of a regulated investment company or
20 real estate investment trust, an amount equal to the excess of
21 the net long-term capital gain for the taxable year over the
22 amount of the capital gain dividends attributable to the
23 taxable year.

24 4. That portion of the wages or salaries paid or
25 incurred for the taxable year which is equal to the amount of
26 the credit allowable for the taxable year under s. 220.181.
27 The provisions of this subparagraph shall expire and be void
28 on June 30, 2005.

29 5. That portion of the ad valorem school taxes paid or
30 incurred for the taxable year which is equal to the amount of
31 the credit allowable for the taxable year under s. 220.182.

1 The provisions of this subparagraph shall expire and be void
2 on June 30, 2005.

3 6. The amount of emergency excise tax paid or accrued
4 as a liability to this state under chapter 221 which tax is
5 deductible from gross income in the computation of taxable
6 income for the taxable year.

7 7. That portion of assessments to fund a guaranty
8 association incurred for the taxable year which is equal to
9 the amount of the credit allowable for the taxable year.

10 8. In the case of a nonprofit corporation which holds
11 a pari-mutuel permit and which is exempt from federal income
12 tax as a farmers' cooperative, an amount equal to the excess
13 of the gross income attributable to the pari-mutuel operations
14 over the attributable expenses for the taxable year.

15 9. The amount taken as a credit for the taxable year
16 under s. 220.1895.

17 10. Up to 9 ~~nine~~ percent of the eligible basis of any
18 designated project which is equal to the credit allowable for
19 the taxable year under s. 220.185.

20 11. The amount taken as a credit for the taxable year
21 under s. 220.192.

22 Section 9. Section 220.192, Florida Statutes, is
23 created to read:

24 220.192 Targeted workforce development tax credits.--

25 (1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.--

26 (a) A credit of 100 percent of the matriculation and
27 other fees paid by a corporation on behalf of a current or
28 prospective employee enrolling in a college credit degree or
29 certificate program in information technology is allowed
30 against any tax due for a taxable year under this chapter. The
31 college credit degree or certificate program must be in a

1 regionally or nationally accredited institution of higher
2 education.

3 (b) In no instance shall the matriculation and other
4 fees claimed for credit exceed 150 percent of the
5 matriculation costs for the state community colleges.

6 (c) A corporation may not receive more than \$50,000 in
7 annual tax credits for all approved matriculation and other
8 fee payments made in any one year.

9 (d) The total amount of tax credit which may be
10 granted for all payments approved under this section is \$5
11 million in any fiscal year.

12 (e) An application for granting of the tax credit
13 under this section must be approved by the Office of Student
14 Financial Assistance.

15 (f) If the credit granted under this section is not
16 fully used in any one year because of insufficient tax
17 liability on the part of the corporation, the unused amount
18 may be carried forward for a period not to exceed 5 years. The
19 carryover credit may be used in a subsequent year when the tax
20 imposed by this chapter for that year exceeds the credit for
21 that year under this section after applying the other credits
22 and unused credit carryovers in the order provided in s.
23 220.02(8).

24 (g) A taxpayer that files a consolidated return as a
25 member of an affiliated group under s. 220.131(1) may be
26 allowed the credit on a consolidated return basis.

27 (2) ELIGIBILITY REQUIREMENTS.--

28 (a) Workforce Florida, Inc., in consultation with
29 Enterprise Florida, Inc., shall determine the information
30 technology programs in which enrollment is eligible for the
31 credit under this section.

1 **(b) Workforce Florida, Inc., shall update annually, as**
2 **a component of the Workforce Estimating Conference, the list**
3 **of information technology programs that provide a basis for**
4 **credit under this section.**

5 **(c) The tax credits will be allowed only for those**
6 **college courses satisfactorily completed by the current or**
7 **prospective employee and shall apply only to courses taken**
8 **after July 1, 2001.**

9 **(3) APPLICATION REQUIREMENTS.--Any corporation that**
10 **wishes to participate in this program must submit to the**
11 **Office of Student Financial Assistance an application for tax**
12 **credit which sets forth the name of the applicant, the**
13 **information technology programs in which the current or**
14 **prospective employees are to be enrolled, the names and social**
15 **security numbers of the current or prospective employees for**
16 **whom proposed matriculation and other fees will be paid, the**
17 **payment proposal, and other supporting information as is**
18 **prescribed by rule. This application must state the number of**
19 **current and prospective employees to be enrolled in each**
20 **program and the anticipated total matriculation and other**
21 **fees.**

22 **(4) ADMINISTRATION.--**

23 **(a) The Office of Student Financial Assistance may**
24 **adopt rules pursuant to ss. 120.536(1) and 120.54 to implement**
25 **the provisions of this section, including rules for the**
26 **approval or disapproval of applications by corporations and**
27 **rules to provide for cooperative arrangements between**
28 **for-profit and not-for-profit corporations.**

29 **(b) The decision of the Office of Student Financial**
30 **Assistance shall be in writing, and, if approved, shall state**
31 **the maximum credit allowable to the corporation. A copy of the**

1 decision shall be transmitted to the executive director of the
2 Department of Revenue, who shall apply such credit to the tax
3 liability of the corporation.

4 (c) Receipts from the educational institution
5 reflecting payment of matriculation and other fees in approved
6 information technology programs must be submitted with all
7 applications for the granting of the tax credit.

8 (d) The Department of Revenue may adopt rules pursuant
9 to ss. 120.536(1) and 120.54 to implement the provisions of
10 this section.

11 (e) Any corporation that claims this credit for
12 matriculation and other fees paid on behalf of a current or
13 prospective employee who fails to complete, or fails to
14 satisfactorily complete, an information technology other
15 program is liable for repayment of the credit.

16 (5) EXPIRATION.--The provisions of this section,
17 except paragraph (1)(f), expire June 30, 2008.

18 Section 10. Section 240.1055, Florida Statutes, is
19 created to read:

20 240.1055 Economic development mission.--

21 (1) The Legislature finds that the state system of
22 postsecondary education contributes to the economic well-being
23 of the state and its people through the education and training
24 of individuals for employment, through research and
25 development of technologies that have commercial applications,
26 and through the provision of assistance to businesses based in
27 this state. The Legislature further finds that the quality and
28 activities of the state system of postsecondary education
29 directly affect the success of state, regional, and local
30 efforts to develop, recruit, retain, and expand businesses,
31 particularly high-technology businesses, that create jobs and

1 generate revenue. Therefore, as a fundamental component of the
2 purpose and mission articulated in s. 240.105, the mission of
3 the state system of postsecondary education is to complement,
4 facilitate, and support the economic development strategies
5 and goals of the state and its communities.

6 (2) In recognition and furtherance of the economic
7 development mission of the state system of postsecondary
8 education, it is the policy of the state to use the patent
9 system and the technology-licensing operations of public
10 universities to promote the use of inventions arising from
11 funded research; to encourage to the maximum extent possible
12 the participation of businesses based in this state in
13 opportunities to commercialize technology; to promote
14 collaboration between businesses in this state and
15 universities; and to secure for the residents of this state
16 enhanced returns on the intellectual property developed by
17 public universities through funded research.

18 Section 11. Section 240.710, Florida Statutes, is
19 amended to read:

20 240.710 Digital Media Education Coordination Group.--

21 (1) The Division of Universities of the Department of
22 Education ~~Board of Regents~~ shall create a Digital Media
23 Education Coordination Group composed of representatives of
24 the universities within the State University System that shall
25 work in conjunction with the Division ~~Department of Education,~~
26 ~~the State Board~~ of Community Colleges, the Office of Tourism,
27 Trade, and Economic Development, and the Articulation
28 Coordinating Committee ~~on the development of a plan~~ to enhance
29 Florida's ability to meet the current and future workforce
30 needs of the digital media industry. The following purposes of
31 the group shall be included in its plan development process:

1 (a) Coordination of the use of existing academic
2 programs and research and faculty resources to promote the
3 development of a digital media industry in this state.

4 (b) Address strategies to improve opportunities for
5 interdisciplinary study and research within the emerging field
6 of digital media through the development of tracts in existing
7 degree programs, new interdisciplinary degree programs, and
8 interdisciplinary research centers.

9 (c) Address the sharing of resources among
10 universities in such a way as to allow a student to take
11 courses from multiple departments or multiple educational
12 institutions in pursuit of competency, certification, and
13 degrees in digital information and media technology.

14 (2) Where practical, private accredited institutions
15 of higher learning in this state should be encouraged to
16 participate.

17 ~~(3) In addition to the elements of the plan governed~~
18 ~~by the purposes described in subsection (1), the plan shall~~
19 ~~include, to the maximum extent practical, the coordination of~~
20 ~~educational resources to be provided by distance learning and~~
21 ~~shall facilitate to the maximum extent possible articulation~~
22 ~~and transfer of credits between community colleges and the~~
23 ~~state universities. The plan shall address student enrollment~~
24 ~~in affected programs with emphasis on enrollment beginning as~~
25 ~~early as fall term, 2001.~~

26 (3)(4) The Digital Media Education Coordination Group
27 shall submit an annual report of its activities with any
28 recommendations for policy implementation or funding to the
29 State Board of Education its plan to the President of the
30 Senate and the Speaker of the House of Representatives no
31 later than February 1 of each year January 1, 2001.

1 Section 12. Paragraph (a) of subsection (3) of section
2 288.095, Florida Statutes, is amended to read:

3 288.095 Economic Development Trust Fund.--

4 (3)(a) The Office of Tourism, Trade, and Economic
5 Development may approve applications for certification
6 pursuant to ss. 288.1045(3) and 288.106. However, the total
7 state share of tax refund payments scheduled in all active
8 certifications for fiscal year ~~2000-2001 shall not exceed \$24~~
9 ~~million. The state share of tax refund payments scheduled in~~
10 ~~all active certifications for fiscal year 2001-2002 and each~~
11 ~~subsequent year shall not exceed \$30 million. The total state~~
12 share of tax refund payments scheduled in all active
13 certifications for each subsequent fiscal year shall not
14 exceed \$35 million.

15 Section 13. Paragraph (i) of subsection (6) of section
16 288.108, Florida Statutes, is amended to read:

17 288.108 High-impact business.--

18 (6) SELECTION AND DESIGNATION OF HIGH-IMPACT
19 SECTORS.--

20 (i) For the purposes of this subsection, the
21 semiconductor a high-impact sector consists of the silicon
22 technology sector and the information technology sector are
23 ~~that Enterprise Florida, Inc., has found to be focused around~~
24 the type of high-impact businesses for which the incentive
25 created in this subsection is designed. These sectors required
26 ~~and will create the kinds of economic sector and economy wide~~
27 benefits that justify the use of state resources as economic
28 development incentives. Further, the use of state resources to
29 encourage investment in these sectors is necessary to
30 ~~encourage these investments and require substantial~~
31 ~~inducements~~ to compete with the incentive packages offered by

1 other states and nations. For the purposes of this subsection
2 and s. 220.191, the term "information technology sector" shall
3 encompass, but not be limited to, the digital media sector as
4 defined by Enterprise Florida, Inc., and approved by the
5 Office of Tourism, Trade, and Economic Development.

6 Section 14. Section 288.911, Florida Statutes, is
7 amended to read:

8 (Substantial rewording of section. See
9 s. 288.911, F.S., for present text.)

10 288.911 Marketing campaign to promote high-technology
11 industries.--

12 (1) Enterprise Florida, Inc., shall develop and
13 implement a multifaceted marketing campaign to promote the
14 existence and growth of high-technology industries in the
15 state.

16 (2) The purpose of the marketing campaign shall be to
17 inform businesses and individuals about the status of the
18 high-technology businesses, workforce, infrastructure, and
19 services in the state and to promote the state globally as an
20 ideal location for high-technology business activity, in order
21 to encourage the retention and growth of existing businesses,
22 workers, and students in high-technology fields and to
23 encourage the recruitment of new businesses, workers, and
24 students in high-technology fields.

25 (3) Enterprise Florida, Inc., shall develop the
26 marketing campaign in coordination and consultation with:

27 (a) The Office of Tourism, Trade, and Economic
28 Development;

29 (b) The State Technology Office;

30 (c) Workforce Florida, Inc.;

31

1 (d) Local and regional economic development

2 organizations; and

3 (e) Business organizations representing

4 high-technology industries throughout the state, including,

5 but not limited to, the not-for-profit corporation created to

6 advocate on behalf of the information technology industry as

7 an outgrowth of the Information Service Technology Development

8 Task Force created under chapter 99-354, Laws of Florida.

9 Enterprise Florida, Inc., shall solicit input from such

10 business organizations on the themes to be emphasized and

11 messages to be conveyed in the marketing campaign, in order to

12 ensure that the campaign effectively targets the needs and

13 interests of high-technology businesses, workers, and

14 students.

15 (4) At a minimum, the marketing campaign must include

16 creation of a brand identification for promoting the state as

17 a location for high-technology industries and must include use

18 of Internet websites to develop such brand identification and

19 to provide information on the state's high-technology

20 industries and the various programs and services available to

21 assist such industries. Enterprise Florida, Inc., shall use

22 the Internet-based system for information technology industry

23 promotion and workforce recruitment required under s. 445.045

24 as one of the forums for distribution of the marketing

25 campaign required under this section.

26 (5) The marketing campaign must be coordinated with

27 and consistent with the existing economic development efforts

28 of the state, and such campaign must be funded in part with

29 resources from the private sector.

30 Section 15. The Legislature finds that the Information

31 Services Technology Development Task Force created under

1 chapter 99-354, Laws of Florida, performed an integral role in
2 analyzing and recommending policies to facilitate the
3 beneficial development and deployment of information
4 technology on a statewide basis. It is the intent of the
5 Legislature that, upon the dissolution of the task force
6 effective July 1, 2001, the state solicit continued policy
7 guidance and direction from a not-for-profit corporation
8 created to advocate on behalf of information technology
9 businesses and other high-technology businesses throughout the
10 state and which does business under the name "itflorida.com,
11 Inc." It further is the intent of the Legislature that the
12 State Technology Office; the Office of Tourism, Trade, and
13 Economic Development; and Enterprise Florida, Inc., facilitate
14 the formation and initial operation of such corporation to the
15 maximum extent feasible and that such organizations use the
16 corporation as a resource for information and insights about
17 the information technology industry and other high-technology
18 industries.

19 Section 16. Section 288.9522, Florida Statutes, is
20 created to read:

21 288.9522 Florida Research Consortium.--

22 (1) CREATION.--There is created the Florida Research
23 Consortium, which shall be organized and operated as a
24 not-for-profit corporation in compliance with chapter 617. The
25 consortium shall serve as the principal entity for uniting
26 businesses and research universities in the state in order to
27 enhance economic development through the development and
28 commercialization of science and technology and for targeting
29 the activities of such universities toward fulfillment of the
30 economic development goals of the state.

31

1 (2) BOARD OF DIRECTORS.--The Florida Research
2 Consortium shall be governed by a board of directors comprised
3 of the following members:

4 (a) Ten chief executive officers of businesses based
5 in this state who are appointed by the Governor. Initially, of
6 the 10 chief executive officers, the Governor shall appoint 5
7 members for terms of 4 years, 3 members for terms of 3 years,
8 and 2 members for terms of 2 years. Thereafter, the Governor
9 shall appoint all members for terms of 4 years.

10 (b) Two chief executive officers of businesses based
11 in this state who are appointed by the President of the Senate
12 and who serve at the pleasure of the President.

13 (c) Two chief executive officers of businesses based
14 in this state who are appointed by the Speaker of the House of
15 Representatives and who serve at the pleasure of the Speaker.

16 (d) The presidents of the following research
17 universities:

- 18 1. University of Florida;
- 19 2. Florida State University;
- 20 3. University of Central Florida;
- 21 4. University of South Florida;
- 22 5. Florida Atlantic University;
- 23 6. Florida International University;
- 24 7. Florida Agricultural and Mechanical University;
- 25 8. University of North Florida;
- 26 9. Florida Gulf Coast University;
- 27 10. University of West Florida; and
- 28 11. University of Miami.

29 (e) The president of Enterprise Florida, Inc.

30 (f) The president of Workforce Florida, Inc.

31

1 (g) One representative each from two not-for-profit
2 research institutes located in the state which are not public
3 or private universities, who are appointed by the Governor for
4 terms of 4 years.

5 (h) The Governor or the Governor's designee, who shall
6 serve as an ex-officio, nonvoting member.

7 (i) The Commissioner of Education or the
8 commissioner's designee, who shall serve as an ex-officio,
9 non-voting member.

10
11 The voting members of the board of directors shall biennially
12 elect one of the voting members of the board to serve as the
13 chairman of the board. All members appointed under paragraphs
14 (a), (b), (c), and (g) are subject to Senate confirmation.

15 (3) PURPOSE.--The purpose of the Florida Research
16 Consortium is to support economic development in the state by
17 linking the research capabilities of member universities with
18 the needs and activities of private businesses in the state
19 and by fostering the development and growth of scientific and
20 technology-based industry and commerce in this state.

21 (4) POWERS AND DUTIES.--The powers and duties of the
22 board of directors of the Florida Research Consortium shall
23 include, but not be limited to:

24 (a) Raising funds from nonstate sources to leverage
25 any appropriations from the Legislature;

26 (b) Identifying three specific disciplines in science
27 or technology which shall be the focus of the activities of
28 the consortium, with such disciplines being narrowly defined
29 and being viable areas of potential success for the state from
30 an economic development and academic perspective;

31

1 (c) Developing and implementing strategies to recruit
2 and retain preeminent researchers in science and
3 technology-based disciplines to universities in the state,
4 with such strategies including but not being limited to the
5 endowment of faculty or research chairs at universities in the
6 state in the disciplines identified under paragraph (b);

7 (d) Developing and implementing strategies to recruit
8 and retain graduate and undergraduate students in science and
9 technology-based disciplines to universities in the state;

10 (e) Assisting new and expanding science and
11 technology-based businesses with their research, technology
12 commercialization, capital, and workforce needs;

13 (f) Developing and implementing strategies to increase
14 the state's share of research funds;

15 (g) Identifying statutory, regulatory, policy, or
16 other barriers impeding the effective, efficient, and timely
17 transfer of technology and commercialization of research from
18 the university setting and proposing resolutions to such
19 barriers, including reforms to university policies on issues
20 such as conflicts of interest;

21 (h) Developing and implementing strategies to create a
22 culture at member universities which promotes the conduct of
23 applied research and the transfer of technology as fundamental
24 activities of such universities;

25 (i) Developing measures to assess the performance of
26 the technology transfer offices of the member universities in
27 facilitating the transfer of technology to businesses in the
28 state;

29 (j) Facilitating discussions, meetings, and other
30 forms of communication among university researchers, faculty,
31

1 administrators, and students; high technology businesses in
2 the state; and economic-development professionals;

3 (k) Establishing and maintaining an Internet-based
4 database for the marketing, publication, and exchange of
5 information with the public and private sectors on basic,
6 applied, and other research being conducted at universities in
7 the state;

8 (1) Coordinating donations of equipment from
9 high-technology businesses to secondary schools;

10 (m) Hiring an executive director and other staff for
11 the Florida Research Consortium; and

12 (n) Meeting at least four times each calendar year.

13 (5) ANNUAL REPORT.--

14 (a) By January 1 of each year, the Florida Research
15 Consortium shall submit a report of its activities and
16 accomplishments for the year to the Governor, the President of
17 the Senate, and the Speaker of the House of Representatives.
18 The report shall also include specific recommendations
19 regarding actions the state could take to enhance the
20 commercialization of research and transfer of technologies
21 from the universities and to enhance the role of universities
22 in accomplishing the economic development goals of the state.

23 (b) By December 1 of each year, the technology
24 transfer office of each university that is a member of the
25 Florida Research Consortium shall report to the board of
26 directors on the activities of the office during the year
27 related to facilitating the transfer of technology to
28 businesses and on its other activities related to building
29 relationships between university researchers, faculty,
30 students, and administrators and businesses in the state. The
31 report must include information on the achievement by the

1 office of the performance measures identified under paragraph
2 (4)(i). The board of directors shall summarize the information
3 provided by the technology transfer offices as part of the
4 annual report by the board under paragraph (a).

5 Section 17. Section 445.045, Florida Statutes, is
6 amended to read:

7 445.045 Development of an Internet-based system for
8 information technology industry promotion and workforce
9 recruitment.--

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

23 (2) Workforce Florida, Inc.,~~The Department of Labor~~
24 ~~and Employment Security~~ shall coordinate with the State
25 Technology Office and the Agency for Workforce Innovation
26 ~~Workforce Development Board of Enterprise Florida, Inc.,~~to
27 ensure links, where feasible and appropriate, to existing job
28 information websites maintained by the state and state
29 agencies and to ensure that information technology positions
30 offered by the state and state agencies are posted on the
31 information technology website.

1 (3) Workforce Florida, Inc., shall ensure that the
2 website developed and maintained under this section is
3 consistent, compatible, and coordinated with the workforce
4 information systems required under s. 445.011, including, but
5 not limited to, the automated job-matching information system
6 for employers, job seekers, and other users.

7 (4)(a) Workforce Florida, Inc., shall coordinate
8 development and maintenance of the website under this section
9 with the state's Chief Information Officer in the State
10 Technology Office to ensure compatibility with the state's
11 information system strategy and enterprise architecture.

12 (b) Workforce Florida, Inc., may enter into an
13 agreement with the State Technology Office, the Agency for
14 Workforce Innovation, or any other public agency with the
15 requisite information technology expertise for the provision
16 of design, operating, or other technological services
17 necessary to develop and maintain the website.

18 (c) Workforce Florida, Inc., may procure services
19 necessary to implement the provisions of this section,
20 provided, however, that it employs competitive processes,
21 including requests for proposals, competitive negotiation, and
22 other competitive processes to ensure that the procurement
23 results in the most cost-effective investment of state funds.

24 (5) In furtherance of the requirements under this
25 section that the website promote and market the information
26 technology industry by communicating information on the scope
27 of the industry in this state, Workforce Florida, Inc., shall
28 coordinate its efforts with the high-technology industry
29 marketing efforts of Enterprise Florida, Inc., under s.
30 288.911. Through links or actual content, the website
31 developed under this section shall serve as a forum for

1 distributing the marketing campaign developed by Enterprise
2 Florida, Inc., under s. 288.911. In addition, Workforce
3 Florida, Inc., shall solicit input from the not-for-profit
4 corporation created to advocate on behalf of the information
5 technology industry as an outgrowth of the Information Service
6 Technology Development Task Force created under chapter
7 99-354, Laws of Florida.

8 Section 18. Pilot grant program for youth
9 internships.--

10 (1) Subject to legislative appropriation, Workforce
11 Florida, Inc., shall establish a pilot matching grant program
12 that is designed to encourage high-technology businesses to
13 employ, train, and mentor financially needy youth through
14 internships completed under the direct supervision of the
15 eligible business. Under this program, Workforce Florida,
16 Inc., may award grants to an eligible business for the benefit
17 of a named eligible youth. Part of the purpose of the program
18 shall be to help financially needy youth acquire and develop
19 information technology skills in order to help close the
20 "digital divide."

21 (2) Grant funds awarded under this program shall be
22 used to supplement the stipend of the eligible youth and must
23 be matched by contributions from the eligible business. The
24 maximum grant amount that may be awarded on behalf of a single
25 eligible youth at one time is \$2,000. Workforce Florida, Inc.,
26 may establish limitations on the total number of internship
27 grants that may be awarded to a single eligible business or
28 that may be awarded on behalf of a single eligible youth.

29 (3) An eligible business under this program includes
30 any sole proprietorship, firm, partnership, or corporation in
31 this state that is in the information technology sector,

1 health technology sector, or other high-technology sector that
2 the board of directors of Workforce Florida, Inc., in
3 consultation with Enterprise Florida, Inc., determines is
4 strategically important to the economic development goals of
5 the state.

6 (4) An eligible youth under this program includes a
7 student between the ages of 15 and 18 who is currently
8 enrolled at a high school in Florida and who has not been
9 previously employed within the preceding 12 months by the
10 eligible business, or a successor business, applying for
11 matching funds under this program. The youth must be a member
12 of a family that includes a parent with one or more minor
13 children or a caretaker with one or more minor children and
14 that is at risk of welfare dependency because the family's
15 income does not exceed 200 percent of the federal poverty
16 level.

17 (5)(a) As part of an application for funding under
18 this program, an eligible business must submit an internship
19 work plan that describes:

20 1. The work to be performed by the eligible youth;

21 2. The anticipated number of hours per week the
22 eligible youth will work;

23 3. The total hourly stipend to be paid to eligible
24 youth, with a description of the portion of the stipend
25 proposed to be paid by the eligible business and the portion
26 of the stipend proposed to be paid by the state;

27 4. The anticipated term of the internship;

28 5. The training and supervision to be provided by the
29 eligible business, particularly in terms of skill development
30 of the youth related to computers and other information
31 technologies;

1 6. The impact of the grant funds on the ability of the
2 eligible business to employ the eligible youth through the
3 internship; and

4 7. The prospects for unsubsidized employment of the
5 youth after the internship period concludes.

6 (b) An application for funding must also identify the
7 eligible youth to be hired under the internship and include
8 information to demonstrate that the eligible youth satisfies
9 the requirements of subsection (4).

10 (6) Workforce Florida, Inc., shall establish
11 guidelines governing the administration of this program which
12 facilitate access to the program by businesses and shall
13 establish criteria to be used in evaluating an application for
14 funding and the internship plan accompanying the application
15 as required under subsection (5). Such criteria must include,
16 but need not be limited to:

17 (a) The nature of the work to be performed by the
18 eligible youth;

19 (b) The potential experience and skills to be acquired
20 by the eligible youth, particularly related to computers and
21 other information technologies, as identified by Workforce
22 Florida, Inc., which may help address the digital divide;

23 (c) Whether the eligible business is classified in one
24 of the business sectors identified by Enterprise Florida,
25 Inc., as being strategically important to the economic
26 development efforts of the state or is classified in a
27 business sector identified as being strategically important to
28 the particular regional or local area in which the business is
29 located;

30 (d) The supervision, training, and counseling to be
31 provided to the eligible youth as part of the internship;

1 (e) The demonstrated need of the eligible business and
2 the amount of matching funds to be provided by the eligible
3 business; and

4 (f) The extent to which the internship has potential
5 to result in permanent employment with the eligible business
6 at the completion of the internship or anytime thereafter.

7 (7) Before allocating funds for any grant application
8 under this program, Workforce Florida, Inc., shall execute a
9 simplified grant agreement with the eligible business. Such
10 agreement must include provisions for Workforce Florida, Inc.,
11 to have access to information about the performance of
12 eligible youth upon completion of the internship.

13 (8) Workforce Florida, Inc., shall ensure that any
14 forms or reports associated with this program which a business
15 or individual is required to complete are as concise and
16 simple to complete as practicable.

17 (9) Before the 2003 legislative session, Workforce
18 Florida, Inc., shall prepare a report describing the outcomes
19 of the pilot program authorized under this section. The report
20 must include a recommendation as to whether the Legislature
21 should continue to fund the program and on any changes
22 necessary to enhance the program. The report must be submitted
23 to the Governor, the President of the Senate, and the Speaker
24 of the House of Representatives by January 31, 2003.

25 Section 19. Joint-Use Advanced Digital-Media Research
26 and Production Facilities.--

27 (1) The Legislature finds that developments in digital
28 media are having, and will continue to have, a profound effect
29 on the state, its people, and its businesses in areas
30 including, but not limited to, information technology,
31 simulation technology, and film and entertainment production

1 and distribution. The digital-media industry represents a
2 strategic economic development opportunity for the state to
3 become a global leader in this emerging and dynamic field. The
4 ability of the state to succeed in developing the
5 digital-media sector, however, depends upon having a workforce
6 with skills necessary to meet the demands of the industry. The
7 Legislature further finds that the convergence of media and
8 the collaboration of businesses and multi-disciplinary
9 academic research programs will enable this state to compete
10 more successfully with other digital-media innovation centers
11 around the country and around the world. Therefore, it is the
12 intent of the Legislature to support the establishment and
13 maintenance of joint-use advanced digital-media research and
14 production facilities in the state to provide regional focal
15 points for collaboration between research and education
16 programs and digital-media industries.

17 (2) Subject to legislative appropriation, the Office
18 of Tourism, Trade, and Economic Development is authorized to
19 create and administer a program to facilitate the
20 establishment and maintenance of joint-use advanced
21 digital-media research and production facilities at strategic
22 locations around the state. The office shall administer all
23 facets of this program in cooperation and consultation with
24 the Office of the Film Commissioner; Enterprise Florida, Inc.;
25 Workforce Florida, Inc.; the Digital Media Education
26 Coordination Group of the State University System; and a
27 not-for-profit corporation that represents information
28 technology businesses throughout the state.

29 (3) The purposes of a joint-use advanced digital-media
30 research and production facility shall include:
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1 (a) Creating opportunities for industry, academia, and
2 government to benefit from student and researcher involvement
3 in applied research and development projects and other
4 projects related to digital media.

5 (b) Promoting paths to future employment for students
6 participating in the activities of the facility.

7 (c) Contributing to the development of a skilled
8 workforce to support the needs of the digital-media industry.

9 (d) Facilitating the transfer of research results to
10 commercial and government applications.

11 (e) Integrating the efforts and activities of the
12 diverse, high-technology industries in the state that are
13 critical to the economic future of the state.

14 (f) Assisting producers, suppliers, and distributors
15 to make the transition from well-established passive media
16 infrastructure to a highly interactive and immersive media
17 infrastructure.

18 (g) Performing other functions or activities designed
19 to contribute to the success of the state in becoming a leader
20 in the digital-media industry, as approved by the Office of
21 Tourism, Trade, and Economic Development.

22 (4) In carrying out its responsibilities under this
23 section, the Office of Tourism, Trade, and Economic
24 Development:

25 (a) Shall develop a strategic plan for how joint-use
26 advanced digital-media research and production facilities will
27 be governed and for how such facilities will be funded in the
28 long term. The office may contract for the preparation of the
29 strategic plan required by this paragraph.

30 (b) May contract for the establishment of joint-use
31 advanced digital-media research and production facilities. In

1 identifying, approving, and executing such contracts, the
2 office shall attempt to maximize the use and integration of
3 existing facilities and programs in the state that are
4 suitable for application as joint-use advanced digital-media
5 facilities. Funds awarded under such contracts may be used to
6 lease or refurbish existing facilities to create
7 state-of-the-art digital-media design, production, and
8 research laboratories that shall be shared by public and
9 private educational institutions and industry partners.

10 (c) Shall ensure that funds appropriated for the
11 program authorized in this section are expended in a manner
12 consistent with the priority needs for developing the
13 digital-media industry in this state, as identified by the
14 organizations listed in subsection (2).

15 (d) Shall require any entity or organization receiving
16 state funding under this section to match such funding with
17 non-state sources.

18 (e) Shall require any joint-use advanced digital-media
19 research and production facility receiving state funds to
20 submit for approval by the office a detailed plan for the
21 operation of such facility. Such operating plan must, at a
22 minimum, include provisions for the establishment of a tenant
23 association, with representation by each tenant using the
24 facility, and for the collection of annual dues from tenants
25 to support the operation and maintenance of the facility.

26 (f) Shall require any joint-use advanced digital-media
27 research and production facility receiving state funding to
28 submit an annual report to the office by a date established by
29 the office. Upon receipt of such annual reports, the office
30 shall provide copies to the Governor, the President of the
31 Senate, and the Speaker of the House of Representatives.

1 (g) Shall establish guidelines and criteria governing
2 the application for and receipt of funds under this section.

3 (h) May, as part of the annual report on the business
4 climate of the state required under section 14.2015, Florida
5 Statutes, recommend to the Legislature policies designed to
6 enhance the effectiveness of the program for joint-use
7 advanced digital-media research and production facilities or
8 policies designed to otherwise promote the development of the
9 digital-media industry in the state.

10 (5) For the purposes of this section, the term
11 "digital media" is defined as a discipline based on the
12 creative convergence of art, science, and technology for human
13 expression, communication, and social interaction. The Office
14 of Tourism, Trade, and Economic Development, in cooperation
15 and consultation with the organizations identified in
16 subsection (2), shall identify specific types of businesses or
17 types of business activity to be included within the term
18 "digital media."

19 Section 20. There is appropriated from the General
20 Revenue Fund to the Office of Tourism, Trade, and Economic
21 Development the sum of \$3 million in fiscal year 2001-2002 for
22 a program to facilitate the establishment and maintenance of
23 joint-use advanced digital-media research and production
24 facilities at strategic locations around the state as provided
25 in this act.

26 Section 21. There is appropriated from the General
27 Revenue Fund to the Office of Tourism, Trade, and Economic
28 Development the sum of \$1.5 million in fiscal year 2001-2002
29 for use by Enterprise Florida, Inc., in creating and
30 implementing the marketing campaign for high-technology

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1 industry promotion as required under section 288.911, Florida
2 Statutes.

3 Section 22. The unexpended balance of funds from
4 section 38 of chapter 2000-164, Laws of Florida, authorized to
5 reimburse eligible companies for sales tax payments made on
6 equipment specifically associated with the creation of a
7 network access point, is reappropriated for Fiscal Year
8 2001-2002 to the Department of Revenue for reimbursement of
9 such sales tax payments as provided in section 212.08(5),
10 Florida Statutes.

11 Section 23. This act shall take effect July 1, 2001.

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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 SB 1750

4 The committee substitute differs from the bill in that the
5 committee substitute:

6 -- Adds the presidents of the University of North Florida,
7 Florida Gulf Coast University, and the University of
8 West Florida to the membership of the Florida Research
9 Consortium.

10 -- Expands an existing sales tax exemption for building
11 materials used in manufacturing or expanding clean rooms
12 in semiconductor-manufacturing facilities -- to include
13 such clean rooms in health-technology-manufacturing
14 facilities.

15 -- Reappropriates to the Department of Revenue for FY
16 2001-2002 the unexpended balance of funds that the
17 Legislature appropriated in FY 2000-2001 for reimbursing
18 eligible businesses under s. 212.08(5)(p), F.S., for
19 sales taxes paid on equipment purchased in connection
20 with the creation of a network access point.

21 -- Provides for the continuation of the Digital Media
22 Education Coordination Group that was created in 2000 to
23 address enhancing the state's ability to meet the
24 workforce needs of the digital-media industry.

25 -- Prescribes that Enterprise Florida, Inc., shall solicit
26 input, rather than accept direction, from certain
27 business organizations in developing a high-technology
28 marketing campaign.

29 -- Clarifies a reference to certain federal regulations
30 related to financial interests of researchers.
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