

By Senator Clary

7-365A-01

1                                   A bill to be entitled  
2           An act relating to rural economic development;  
3           amending s. 212.096, F.S.; defining the term  
4           "jobs"; revising the computation of the  
5           enterprise zone credit against the sales tax;  
6           amending s. 212.098, F.S.; redefining the term  
7           "eligible business"; creating s. 218.077, F.S.;  
8           providing for reduction or waiver of financial  
9           match requirements in rural areas by Rural  
10          Economic Development Initiative agencies;  
11          amending s. 220.181, F.S.; revising the  
12          computation of the enterprise zone credit  
13          against the corporation income tax; amending s.  
14          288.018, F.S.; providing for the administration  
15          of the Regional Rural Development Grants  
16          Program; creating s. 288.019, F.S.; providing  
17          for a review and evaluation process of rural  
18          grants by Rural Economic Development Initiative  
19          agencies; amending s. 288.065, F.S.; expanding  
20          the scope of the Rural Community Development  
21          Revolving Loan Fund Program; amending s.  
22          290.004, F.S.; defining the term "rural  
23          enterprise zone"; deleting obsolete  
24          definitions; amending ss. 290.0055, 290.0056,  
25          290.0058, F.S.; conforming references to comply  
26          with previous governmental reorganization;  
27          amending s. 290.0065, F.S.; providing for rural  
28          enterprise zones; authorizing the Office of  
29          Tourism, Trade, and Economic Development in  
30          consultation with Enterprise Florida, Inc., to  
31          develop guidelines for the designation of

1           enterprise zones; creating s. 290.00676, F.S.;  
2           providing for the amendment of boundaries of  
3           rural enterprise zones; creating s. 290.00677,  
4           F.S.; revising residency requirements for rural  
5           enterprise zones; creating s. 290.00694, F.S.;  
6           providing for the designation of rural champion  
7           communities as enterprise zones; providing an  
8           effective date.

9

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

11

12           Section 1. Subsections (1) and (2) of section 212.096,  
13 Florida Statutes, are amended to read:

14           212.096 Sales, rental, storage, use tax; enterprise  
15 zone jobs credit against sales tax.--

16           (1) For the purposes of the credit provided in this  
17 section:

18           (a) "Eligible business" means any sole proprietorship,  
19 firm, partnership, corporation, bank, savings association,  
20 estate, trust, business trust, receiver, syndicate, or other  
21 group or combination, or successor business, located in an  
22 enterprise zone. An eligible business does not include any  
23 business which has claimed the credit permitted under s.  
24 220.181 for any new business employee first beginning  
25 employment with the business after July 1, 1995.

26           (b) "Month" means either a calendar month or the time  
27 period from any day of any month to the corresponding day of  
28 the next succeeding month or, if there is no corresponding day  
29 in the next succeeding month, the last day of the succeeding  
30 month.

31

1 (c) "New employee" means a person residing in an  
2 enterprise zone, a qualified Job Training Partnership Act  
3 classroom training participant, or a welfare transition  
4 program participant who begins employment with an eligible  
5 business after July 1, 1995, and who has not been previously  
6 employed within the preceding 12 months by the eligible  
7 business, or a successor eligible business, claiming the  
8 credit allowed by this section.

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

19  
20 A person shall be deemed to be employed if the person performs  
21 duties in connection with the operations of the business on a  
22 regular, full-time basis, provided the person is performing  
23 such duties for an average of at least 36 hours per week each  
24 month, or a part-time basis, provided the person is performing  
25 such duties for an average of at least 20 hours per week each  
26 month throughout the year. The person must be performing such  
27 duties at a business site located in the enterprise zone.

28 (2)(a) It is the legislative intent to encourage the  
29 provision of meaningful employment opportunities that ~~which~~  
30 will improve the quality of life of those employed and to  
31 encourage economic expansion of enterprise zones and the

1 state. Therefore, beginning July 1, 2001 ~~1995~~, upon an  
2 affirmative showing by a business to the satisfaction of the  
3 department that the requirements of this section have been  
4 met, the business shall be allowed a credit against the tax  
5 remitted under this chapter.

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

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

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

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

25  
26 For purposes of this paragraph, monthly wages shall be  
27 computed as one-twelfth of the expected annual wages paid to  
28 such employee. The amount paid as wages to a new employee is  
29 the compensation paid to such employee that is subject to  
30 unemployment tax. The credit shall be allowed for up to 12  
31

1 consecutive months, beginning with the first tax return due  
2 pursuant to s. 212.11 after approval by the department.  
3 Section 2. Paragraph (a) of subsection (1) of section  
4 212.098, Florida Statutes, is amended to read:  
5 212.098 Rural Job Tax Credit Program.--  
6 (1) As used in this section, the term:  
7 (a) "Eligible business" means any sole proprietorship,  
8 firm, partnership, or corporation that is located in a  
9 qualified county and is predominantly engaged in, or is  
10 headquarters for a business predominantly engaged in,  
11 activities usually provided for consideration by firms  
12 classified within the following standard industrial  
13 classifications: SIC 01-SIC 09 (agriculture, forestry, and  
14 fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public  
15 warehousing and storage); SIC 70 (hotels and other lodging  
16 places); SIC 7391 (research and development); SIC 7992 (public  
17 golf courses); ~~and~~ SIC 7996 (amusement parks); and all  
18 businesses eligible for the qualified target industry business  
19 tax refund under s. 288.106. A call center or similar customer  
20 service operation that services a multistate market or an  
21 international market is also an eligible business. In  
22 addition, the Office of Tourism, Trade, and Economic  
23 Development may, as part of its final budget request submitted  
24 pursuant to s. 216.023, recommend additions to or deletions  
25 from the list of standard industrial classifications used to  
26 determine an eligible business, and the Legislature may  
27 implement such recommendations. Excluded from eligible  
28 receipts are receipts from retail sales, except such receipts  
29 for hotels and other lodging places classified in SIC 70,  
30 public golf courses in SIC 7992, and amusement parks in SIC  
31 7996. For purposes of this paragraph, the term

1 "predominantly" means that more than 50 percent of the  
2 business's gross receipts from all sources is generated by  
3 those activities usually provided for consideration by firms  
4 in the specified standard industrial classification. The  
5 determination of whether the business is located in a  
6 qualified county and the tier ranking of that county must be  
7 based on the date of application for the credit under this  
8 section. Commonly owned and controlled entities are to be  
9 considered a single business entity.

10 Section 3. Section 218.077, Florida Statutes, is  
11 created to read:

12 218.077 Reduction or waiver of financial match  
13 requirements.--Notwithstanding any other provision of law, the  
14 member agencies of the Rural Economic Development Initiative  
15 (REDI) as defined in s. 288.0656 shall review the financial  
16 match requirements for projects in rural areas as defined in  
17 s. 288.0656.

18 (1) Each agency shall develop a proposal to waive or  
19 reduce the match requirement for rural areas.

20 (2) Agencies shall ensure that all proposed rules are  
21 submitted to the Office of Tourism, Trade, and Economic  
22 Development for review by the REDI agencies.

23 (3) These proposals shall be delivered to the Office  
24 of Tourism, Trade, and Economic Development for distribution  
25 to the REDI agencies. A meeting of REDI agencies must be  
26 called within 30 days after receipt of such proposals for REDI  
27 comment and recommendations on each proposal.

28 (4) Waivers and reduction must at least be  
29 proportionate to the fiscal hardship of the county or  
30 community.

31

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

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

7           (7) To the fullest extent possible agencies shall  
8 expedite the rule adoption and amendment process if necessary  
9 to incorporate the reduction in match by rural areas in fiscal  
10 distress.

11           (8) REDI shall include in its annual report an  
12 evaluation on the status of changes to rules, the number of  
13 awards made with waivers, and any recommendations for future  
14 changes.

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

18           220.181 Enterprise zone jobs credit.--

19           (1)(a) Beginning July 1, 2001 ~~1995~~, there shall be  
20 allowed a credit against the tax imposed by this chapter to  
21 any business located in an enterprise zone which employs one  
22 or more new employees. The credit shall be computed as  
23 follows:

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

1 computed as 30 ~~±5~~ percent of the actual monthly wages paid,  
2 unless the business is located in a rural enterprise zone, as  
3 defined in s. 290.004(7), in which case the credit shall be 45  
4 percent of the wages paid in this state for to each new job  
5 employee, for a period of up to 12 consecutive months;

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

9 ~~2.3. Fifteen percent of the first \$1,500 of actual~~  
10 ~~monthly wages paid in this state for each new employee who is~~  
11 ~~a welfare transition program participant.~~

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

26 (7) Any business that ~~which~~ has claimed this credit is  
27 ~~shall not be~~ allowed any credit under ~~the provision of s.~~  
28 212.096 for any new job ~~employee~~ beginning employment after  
29 July 1, 2001 ~~1995~~. ~~The provisions of This subsection~~ does  
30 ~~shall not~~ apply when a corporation converts to an S  
31 corporation for purposes of compliance with the Internal



1 Revenue Code of 1986, as amended; however, no corporation  
2 shall be allowed the benefit of this credit and the credit  
3 under s. 212.096 either for the same new employee or for the  
4 same taxable year. In addition, such a corporation shall not  
5 be allowed any credit under s. 212.096 until it has filed  
6 notice of its intent to change its status for tax purposes and  
7 until its final return under this chapter for the taxable year  
8 prior to such change has been filed.

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

11 288.018 Regional Rural Development Grants Program.--

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

22 Section 6. Section 288.019, Florida Statutes, is  
23 created to read:

24 288.019 Rural considerations in grant review and  
25 evaluation processes.--Notwithstanding any other provision of  
26 law, and to the fullest extent possible, the member agencies  
27 of the Rural Economic Development Initiative (REDI) as defined  
28 in s. 288.0656 shall review all grant and loan application  
29 evaluation criteria to ensure the fullest access for rural  
30 counties to resources available throughout the state.

31

1           (1) Each REDI agency shall review all evaluation and  
2 scoring procedures and develop modifications to those  
3 procedures which minimize the impact of a project within a  
4 rural area.

5           (2) Evaluation criteria and scoring procedures must  
6 provide for an appropriate ranking based on the proportionate  
7 impact of projects on a rural area when compared with similar  
8 project impacts on an urban area.

9           (3) Evaluation criteria and scoring procedures must  
10 recognize the disparity of participation for an equal level of  
11 financial support from an urban county and a rural county.

12           (a) The evaluation criteria should weigh contribution  
13 in proportion to the amount of funding available at the local  
14 level.

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

20           (4) For existing programs, the modified evaluation  
21 criteria and scoring procedure must be delivered to the Office  
22 of Tourism, Trade, and Economic Development for distribution  
23 to the REDI agencies. The REDI agencies shall review and make  
24 comments. Future rules, programs, evaluation criteria, and  
25 scoring processes must be brought before a REDI meeting for  
26 review, discussion, and recommendation to allow rural counties  
27 fuller access to the state's resources.

28           Section 7. Subsection (2) of section 288.065, Florida  
29 Statutes, is amended to read:

30           288.065 Rural Community Development Revolving Loan  
31 Fund.--

1           (2) The program shall provide for long-term loans,  
2 loan guarantees, and loan loss reserves to units of local  
3 governments or economic development organizations  
4 substantially underwritten by a unit of local government  
5 within counties with populations of 75,000 or less, or any  
6 county that has a population of 100,000 or less and is  
7 contiguous to a county with a population of 75,000 or less, as  
8 determined by the most recent official estimate pursuant to s.  
9 186.901, residing in incorporated and unincorporated areas of  
10 the county. Requests for loans shall be made by application to  
11 the Office of Tourism, Trade, and Economic Development. Loans  
12 shall be made pursuant to agreements specifying the terms and  
13 conditions agreed to between the applicant ~~local government~~  
14 and the Office of Tourism, Trade, and Economic Development.  
15 The loans shall be the legal obligations of the applicant  
16 ~~local government~~. All repayments of principal and interest  
17 shall be returned to the loan fund and made available for  
18 loans to other applicants. However, in a rural area of  
19 critical economic concern designated by the Governor, and upon  
20 approval by the Office of Tourism, Trade, and Economic  
21 Development, repayments of principal and interest may be  
22 retained by the applicant ~~a unit of local government~~ if such  
23 repayments are dedicated and matched to fund regionally based  
24 economic development organizations representing the rural area  
25 of critical economic concern.

26           Section 8. Section 290.004, Florida Statutes, is  
27 amended to read:

28           290.004 Definitions relating to Florida Enterprise  
29 Zone Act.--As used in ss. 290.001-290.016:

30           (1) "Community investment corporation" means a black  
31 business investment corporation, a certified development

1 corporation, a small business investment corporation, or other  
2 similar entity incorporated under Florida law that has limited  
3 its investment policy to making investments solely in minority  
4 business enterprises.

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

6 (2)~~(3)~~ "Director" means the director of the Office of  
7 Tourism, Trade, and Economic Development.

8 (3)~~(4)~~ "Governing body" means the council or other  
9 legislative body charged with governing the county or  
10 municipality.

11 (4)~~(5)~~ "Interagency coordinating council" means the  
12 Enterprise Zone Interagency Coordinating Council created  
13 pursuant to s. 290.009.

14 (5)~~(6)~~ "Minority business enterprise" has the same  
15 meaning as in s. 288.703.

16 (6)~~(7)~~ "Office" means the Office of Tourism, Trade,  
17 and Economic Development.

18 (7) "Rural enterprise zone" means an enterprise zone  
19 that is nominated by a county having a population of 75,000 or  
20 fewer, or a county having a population of 100,000 or fewer  
21 which is contiguous to a county having a population of 75,000  
22 or fewer, or by a municipality in such a county, or by such a  
23 county and one or more municipalities. An enterprise zone  
24 designated in accordance with s. 370.28 or s. 290.0065(5)(b)  
25 is considered to be a rural enterprise zone.

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

27 ~~(9)~~ "Small business" has the same meaning as in s.  
28 288.703.

29 Section 9. Subsections (1) and (6) of section  
30 290.0055, Florida Statutes, are amended to read:

31 290.0055 Local nominating procedure.--

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

6           (a) The adoption by the governing body or bodies of a  
7 resolution which:

8           1. Finds that an area exists in such county or  
9 municipality, or in both the county and one or more  
10 municipalities, which chronically exhibits extreme and  
11 unacceptable levels of poverty, unemployment, physical  
12 deterioration, and economic disinvestment;

13           2. Determines that the rehabilitation, conservation,  
14 or redevelopment, or a combination thereof, of such area is  
15 necessary in the interest of the public health, safety, and  
16 welfare of the residents of such county or municipality, or  
17 such county and one or more municipalities; and

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

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

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

26           (6)(a) The office ~~department~~ may approve a change in  
27 the boundary of any enterprise zone which was designated  
28 pursuant to s. 290.0065 on or before July 1, 1995, if such  
29 change is limited to a deletion of area from the enterprise  
30 zone and if, after the change is made, the enterprise zone  
31

1 continues to satisfy the requirements of subsections (3), (4),  
2 and (5).

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

6 1. States with particularity the reasons for the  
7 change; and

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

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

13 Section 10. Subsection (12) of section 290.0056,  
14 Florida Statutes, is amended to read:

15 290.0056 Enterprise zone development agency.--

16 (12) ~~If in the event that~~ the nominated area selected  
17 by the governing body is not designated a state enterprise  
18 zone, the governing body may dissolve the agency after  
19 receiving notification from the ~~department or the~~ office that  
20 the area was not designated as an enterprise zone.

21 Section 11. Subsections (1) and (5) of section  
22 290.0058, Florida Statutes, are amended to read:

23 290.0058 Tests of pervasive poverty, unemployment, and  
24 general distress.--

25 (1) In determining whether an area suffers from  
26 pervasive poverty, unemployment, and general distress, for  
27 purposes of ss. 290.0055 and 290.0065, the governing body and  
28 the office ~~department~~ shall use data from the most current  
29 decennial census, and from information published by the Bureau  
30 of the Census and the Bureau of Labor Statistics. The data  
31

1 shall be comparable in point or period of time and methodology  
2 employed.

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

7 Section 12. Subsections (1), (4), (5), (6), (7), and  
8 (9) of section 290.0065, Florida Statutes, are amended to  
9 read:

10 290.0065 State designation of enterprise zones.--

11 (1) Upon application of the governing body of a county  
12 or municipality or of a county and one or more municipalities  
13 jointly pursuant to s. 290.0055, Enterprise Florida, Inc., and  
14 the office department, in consultation with the interagency  
15 coordinating council, shall determine which areas nominated by  
16 such governing bodies meet the criteria outlined in s.  
17 290.0055 and are the most appropriate for designation as state  
18 enterprise zones. The office department is authorized to  
19 designate up to 5 areas within each of the categories  
20 established in subparagraphs (3)(a)1., 2., 3., 4., and 5.,  
21 except that the office department may only designate a total  
22 of 20 areas as enterprise zones. The office department shall  
23 not designate more than three enterprise zones in any one  
24 county. All designations, including any provision for  
25 redesignations, of state enterprise zones pursuant to this  
26 section shall be effective July 1, 1995.

27 (4)(a) Notwithstanding s. 290.0055, any area existing  
28 as a state enterprise zone as of the effective date of this  
29 section and originally approved through a joint application  
30 from a county and municipality, or through an application from  
31 a county as defined in s. 125.011(1), shall be redesignated as

1 a state enterprise zone upon the creation of an enterprise  
2 zone development agency pursuant to s. 290.0056 and the  
3 completion of a strategic plan pursuant to s. 290.0057. Any  
4 area redesignated pursuant to this subsection, other than an  
5 area located in a county defined in s. 125.011(1), may be  
6 relocated or modified by the appropriate governmental bodies.  
7 Such relocation or modification shall be identified in the  
8 strategic plan and shall meet the requirements for designation  
9 as established by s. 290.005. Any relocation or modification  
10 shall be submitted on or before June 1, 1996.

11 (b) 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 (c) Any county or municipality having jurisdiction  
18 over an area designated as a state enterprise zone pursuant to  
19 this subsection, other than a county defined by s. 125.011(1),  
20 may not apply for designation of another area.

21 (5) Notwithstanding s. 290.0055, an area designated as  
22 a federal empowerment zone or enterprise community pursuant to  
23 Title XIII of the Omnibus Budget Reconciliation Act of 1993,  
24 the Taxpayer Relief Act of 1997, or the 1999 Agricultural  
25 Appropriations Act shall be designated a state enterprise zone  
26 as follows:

27 (a) An area designated as an urban empowerment zone or  
28 urban enterprise community pursuant to Title XIII of the  
29 Omnibus Budget Reconciliation Act of 1993 or the Taxpayer  
30 Relief Act of 1997 shall be designated a state enterprise zone  
31 by the office ~~department~~ upon completion of the requirements



1 set out in paragraph (d), except in the case of a county as  
2 defined in s. 125.011(1) which, notwithstanding s. 290.0055,  
3 may incorporate and include such designated urban empowerment  
4 zone or urban enterprise community areas within the boundaries  
5 of its state enterprise zones without any limitation as to  
6 size.

7 (b) An area designated as a rural empowerment zone or  
8 rural enterprise community pursuant to Title XIII of the  
9 Omnibus Budget Reconciliation Act of 1993 or the 1999  
10 Agricultural Appropriations Act shall be designated a state  
11 rural enterprise zone by the office department upon completion  
12 of the requirements set out in paragraph (d) and may  
13 incorporate and include such designated rural empowerment zone  
14 or rural enterprise community within the boundaries of its  
15 state enterprise zones without any limitation as to size.

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

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

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

1           (6)(a) The office department, in consultation with  
2 Enterprise Florida, Inc., and the interagency coordinating  
3 council, may develop guidelines ~~shall promulgate any rules~~  
4 necessary for the approval of areas under this section by the  
5 director ~~secretary~~.

6           (b) The guidelines must ~~Such rules shall~~ provide for  
7 the measurement of pervasive poverty, unemployment, and  
8 general distress using the criteria outlined by s. 290.0058.

9           (c) The guidelines must ~~Such rules shall~~ provide for  
10 the evaluation of the strategic plan and local fiscal and  
11 regulatory incentives for effectiveness, including how the  
12 following key principles will be implemented by the governing  
13 body or bodies:

14           1. Economic opportunity, including job creation within  
15 the community and throughout the region, as well as  
16 entrepreneurial initiatives, small business expansion, and  
17 training for jobs that offer upward mobility.

18           2. Sustainable community development that advances the  
19 creation of livable and vibrant communities through  
20 comprehensive approaches that coordinate economic, physical,  
21 community, and human development.

22           3. Community-based partnerships involving the  
23 participation of all segments of the community.

24           4. Strategic vision for change that identifies how the  
25 community will be revitalized. This vision should include  
26 methods for building on community assets and coordinate a  
27 response to community needs in a comprehensive fashion. This  
28 vision should provide goals and performance benchmarks for  
29 measuring progress and establish a framework for evaluating  
30 and adjusting the strategic plan.

31

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

5           (d) The guidelines may ~~Such rules shall~~ provide  
6 methods for evaluating the prospects for new investment and  
7 economic development in the area, including a review and  
8 evaluation of any previous state enterprise zones located in  
9 the area.

10           (7) Upon approval by the director ~~secretary~~ of a  
11 resolution authorizing an area to be an enterprise zone  
12 pursuant to this section, the office ~~department~~ shall assign a  
13 unique identifying number to that resolution. The office  
14 ~~department~~ shall provide the Department of Revenue and  
15 Enterprise Florida, Inc., with a copy of each resolution  
16 approved, together with its identifying number.

17           (9) Upon recommendation by Enterprise Florida, Inc.,  
18 the Office of Tourism, Trade, and Economic Development may  
19 amend the boundaries of any enterprise zone designated by the  
20 state pursuant to this section, consistent with the  
21 categories, criteria, and limitations imposed in this section  
22 upon the establishment of such enterprise zone ~~and only if~~  
23 ~~consistent with the determinations made in s. 290.0058(2).~~

24           Section 13. Section 290.00676, Florida Statutes, is  
25 created to read:

26           290.00676 Amendment of rural enterprise zone  
27 boundaries.--Notwithstanding any other provision of law, upon  
28 recommendation by Enterprise Florida, Inc., the Office of  
29 Tourism, Trade, and Economic Development may approve a request  
30 to amend the boundaries of rural enterprise zones. For  
31 purposes of boundary amendments, an enterprise zone designated

1 under s. 370.28 is considered a rural enterprise zone and is  
2 eligible for amendment of its boundaries. Boundary amendments  
3 authorized by this section are subject to the following  
4 requirements:

5 (1) The amendment may increase the size of the rural  
6 enterprise zone to 20 square miles.

7 (2) The amendment may increase the number of  
8 noncontiguous areas by one, if that noncontiguous area has  
9 zero population. For purposes of this subsection, the  
10 pervasive poverty criteria may be set aside for the addition  
11 of a noncontiguous parcel.

12 (3) The local enterprise zone development agency must  
13 request the amendment from Enterprise Florida, Inc., before  
14 December 30, 2001. The request must contain maps and  
15 sufficient information to allow the office to determine the  
16 number of noncontiguous areas and the total size of the rural  
17 enterprise zone.

18 Section 14. Section 290.00677, Florida Statutes, is  
19 created to read:

20 290.00677 Rural enterprise zones; special  
21 qualifications.--

22 (1) Notwithstanding the enterprise zone residency  
23 requirements set out in ss. 212.096(1)(c) and 220.03(1)(g),  
24 businesses located in rural enterprise zones may receive the  
25 credit provided under s. 212.096 or s. 220.181 for hiring any  
26 person within the jurisdiction of a rural county, as defined  
27 by s. 288.106(1)(r). All other provisions of ss. 212.096,  
28 220.03(1)(q), and 220.181 apply to such businesses.

29 (2) Notwithstanding the requirement specified in ss.  
30 212.08(5)(g)5., (5)(h)5., and (15)(a), 212.096(2)(b)1.,  
31 220.181(1)(a)1., and 220.182(1)(b) that at least 20 percent of

1 a business's employees, excluding temporary and part-time  
2 employees, must be residents of an enterprise zone for the  
3 business to qualify for the maximum exemption or credit  
4 provided in ss. 212.08(5)(g) and (h) and (15),  
5 212.096(2)(b)1., 220.181(1)(a)1., and 220.182, a business that  
6 is located in a rural enterprise zone is qualified for those  
7 maximum exemptions or credits if at least 20 percent of such  
8 employees of the business are residents of a rural enterprise  
9 zone as defined by s. 290.004(7). All other provisions of ss.  
10 212.08(5)(g) and (h) and (15), 212.096, 220.181, and 220.182  
11 apply to such business.

12 Section 15. Section 290.00694, Florida Statutes, is  
13 created to read:

14 290.00694 Enterprise zone designation for rural  
15 champion communities.--An area designated as a rural champion  
16 community under the Taxpayer Relief Act of 1997 may apply to  
17 Enterprise Florida, Inc., for designation as an enterprise  
18 zone. The application must be submitted by December 31, 2001.  
19 Notwithstanding the provisions of s. 290.0065 limiting the  
20 total number of enterprise zones designated and the number of  
21 enterprise zones within a population category, the Office of  
22 Tourism, Trade, and Economic Development may designate  
23 enterprise zones under this section. The Office of Tourism,  
24 Trade, and Economic Development shall establish the initial  
25 effective date of the enterprise zones designated under this  
26 section.

27 Section 16. This act shall take effect July 1, 2001.  
28  
29  
30  
31

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

\*\*\*\*\*

SENATE SUMMARY

Provides a process for the designation of rural enterprise zones by the Office of Tourism, Trade, and Economic Development and Enterprise Florida, Inc. Revises enterprise zone tax credits.