

By the Committee on Commerce and Economic Opportunities; and
Senators Clary, Smith and Mitchell

310-1639-01

1 A bill to be entitled
2 An act relating to economic development;
3 amending s. 212.08, F.S.; revising certain
4 procedures and conditions relating to the sales
5 tax exemption for enterprise-zone building
6 materials and business property; extending the
7 community contribution tax credit provisions of
8 the enterprise zone program to the state sales
9 tax; amending s. 212.096, F.S.; redefining the
10 terms "eligible business" and "new employee";
11 defining the terms "jobs" and "new job has been
12 created"; revising the computation procedures
13 of the enterprise-zone jobs credit against
14 sales tax; amending s. 212.098, F.S.;
15 redefining the term "eligible business";
16 defining the term "qualified area"; deleting
17 provisions ranking qualified counties; limiting
18 the amount of tax credits available during any
19 one calendar year; providing for reduction or
20 waiver of certain financial match requirements
21 in rural areas by Rural Economic Development
22 Initiative agencies and organizations; amending
23 s. 220.03, F.S.; redefining the terms "new
24 employee" and "project"; defining the terms
25 "new job has been created" and "jobs"; amending
26 s. 220.181, F.S.; revising the computation
27 procedures of the enterprise-zone job credit
28 against the corporate income tax; amending s.
29 220.183, F.S.; revising the eligibility,
30 application, and administrative requirements of
31 the community contribution corporate income tax

1 credit program; increasing the limitation on
2 annual credits; amending s. 288.018, F.S.;
3 revising administration and uses of the
4 Regional Rural Development Grants Program;
5 creating s. 288.019, F.S.; providing for a
6 review and evaluation process of rural grants
7 by Rural Economic Development Initiative
8 agencies; amending s. 288.065, F.S.; expanding
9 the scope of the Rural Community Revolving Loan
10 Fund Program; amending s. 288.0656, F.S.;
11 revising the membership of the Rural Economic
12 Development Initiative; requiring an annual
13 designation of staff representatives; amending
14 s. 288.1088, F.S.; expanding eligible uses of
15 the Quick Action Closing Fund; amending s.
16 288.9015, F.S.; revising the duties of
17 Enterprise Florida, Inc.; amending s. 290.004,
18 F.S.; defining the term "rural enterprise
19 zone"; authorizing the Office of Tourism,
20 Trade, and Economic Development to designate an
21 enterprise zone in Sarasota County; providing
22 requirements with respect thereto; amending s.
23 290.00555, F.S.; removing the December 31,
24 1999, deadline for creation of satellite
25 enterprise zones by certain municipalities and
26 authorizing creation of such zones effective
27 retroactively to that date; providing duties of
28 the Office of Tourism, Trade, and Economic
29 Development; providing an application deadline
30 for businesses in such zones eligible for
31 certain sales and use tax incentives; amending

1 s. 290.0065, F.S.; providing for certain rural
2 enterprise zones; conforming agency references
3 to changes in program administration;
4 authorizing the Office of Tourism, Trade, and
5 Economic Development in consultation with
6 Enterprise Florida, Inc., to develop guidelines
7 relating to the designation of enterprise
8 zones; creating s. 290.00676, F.S.; authorizing
9 the Office of Tourism, Trade, and Economic
10 Development to amend the boundaries of a rural
11 enterprise zone and providing requirements with
12 respect thereto; creating s. 290.00677, F.S.;
13 modifying the employee residency requirements
14 for the enterprise-zone job credit against the
15 sales tax and corporate income tax if the
16 business is located in a rural enterprise zone;
17 creating s. 290.00694, F.S.; authorizing the
18 Office of Tourism, Trade, and Economic
19 Development to designate rural champion
20 communities as enterprise zones; providing
21 requirements with respect thereto; amending s.
22 290.007, F.S.; revising the list of enterprise
23 zone incentives to reflect the creation of a
24 community contribution sales tax credit
25 program; amending s. 290.048, F.S.; authorizing
26 the Department of Community Affairs to
27 establish advisory committees and solicit
28 participation with respect to administering the
29 Florida Small Cities Community Development
30 Block Grant Program; repealing s. 290.049,
31 F.S., relating to the Community Development

1 Block Grant Advisory Council; repealing s.
2 370.28(4), F.S., which provides conditions for
3 tax incentives in enterprise zone net-ban
4 communities; amending s. 420.507, F.S.;
5 authorizing the Florida Housing Finance
6 Corporation to create a recognition program to
7 support affordable housing; amending s.
8 624.5105, F.S.; increasing the annual
9 limitation on community contribution tax
10 credits; conforming definitions; revising
11 eligibility and administrative requirements;
12 providing effective dates.

13

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

15

16 Section 1. Paragraphs (g) and (h) of subsection (5) of
17 section 212.08, Florida Statutes, are amended, and paragraph
18 (q) is added to that subsection, to read:

19 212.08 Sales, rental, use, consumption, distribution,
20 and storage tax; specified exemptions.--The sale at retail,
21 the rental, the use, the consumption, the distribution, and
22 the storage to be used or consumed in this state of the
23 following are hereby specifically exempt from the tax imposed
24 by this chapter.

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

26 (g) Building materials used in the rehabilitation of
27 real property located in an enterprise zone.--

28 1. Beginning July 1, 1995, building materials used in
29 the rehabilitation of real property located in an enterprise
30 zone shall be exempt from the tax imposed by this chapter upon
31 an affirmative showing to the satisfaction of the department

1 that the items have been used for the rehabilitation of real
2 property located in an enterprise zone. Except as provided in
3 subparagraph 2., this exemption inures to the owner, lessee,
4 or lessor of the rehabilitated real property located in an
5 enterprise zone only through a refund of previously paid
6 taxes. To receive a refund pursuant to this paragraph, the
7 owner, lessee, or lessor of the rehabilitated real property
8 located in an enterprise zone must file an application under
9 oath with the governing body or enterprise zone development
10 agency having jurisdiction over the enterprise zone where the
11 business is located, as applicable, which includes:

12 a. The name and address of the person claiming the
13 refund.

14 b. An address and assessment roll parcel number of the
15 rehabilitated real property in an enterprise zone for which a
16 refund of previously paid taxes is being sought.

17 c. A description of the improvements made to
18 accomplish the rehabilitation of the real property.

19 d. A copy of the building permit issued for the
20 rehabilitation of the real property.

21 e. A sworn statement, under the penalty of perjury,
22 from the general contractor licensed in this state with whom
23 the applicant contracted to make the improvements necessary to
24 accomplish the rehabilitation of the real property, which
25 statement lists the building materials used in the
26 rehabilitation of the real property, the actual cost of the
27 building materials, and the amount of sales tax paid in this
28 state on the building materials. In the event that a general
29 contractor has not been used, the applicant shall provide this
30 information in a sworn statement, under the penalty of
31 perjury. Copies of the invoices which evidence the purchase of

1 the building materials used in such rehabilitation and the
2 payment of sales tax on the building materials shall be
3 attached to the sworn statement provided by the general
4 contractor or by the applicant. Unless the actual cost of
5 building materials used in the rehabilitation of real property
6 and the payment of sales taxes due thereon is documented by a
7 general contractor or by the applicant in this manner, the
8 cost of such building materials shall be an amount equal to 40
9 percent of the increase in assessed value for ad valorem tax
10 purposes.

11 f. The identifying number assigned pursuant to s.
12 290.0065 to the enterprise zone in which the rehabilitated
13 real property is located.

14 g. A certification by the local building code
15 inspector that the improvements necessary to accomplish the
16 rehabilitation of the real property are substantially
17 completed.

18 h. Whether the business is a small business as defined
19 by s. 288.703(1).

20 i. If applicable, the name and address of each
21 permanent employee of the business, including, for each
22 employee who is a resident of an enterprise zone, the
23 identifying number assigned pursuant to s. 290.0065 to the
24 enterprise zone in which the employee resides.

25 2. This exemption inures to a city, county, ~~or~~ other
26 governmental agency, or nonprofit community-based organization
27 through a refund of previously paid taxes if the building
28 materials used in the rehabilitation of real property located
29 in an enterprise zone are paid for from the funds of a
30 community development block grant, State Housing Initiatives
31 Partnership Program, or similar grant or loan program. To

1 receive a refund pursuant to this paragraph, a city, county,
2 ~~or other governmental agency, or nonprofit community-based~~
3 organization must file an application which includes the same
4 information required to be provided in subparagraph 1. by an
5 owner, lessee, or lessor of rehabilitated real property. In
6 addition, the application must include a sworn statement
7 signed by the chief executive officer of the city, county, ~~or~~
8 ~~other governmental agency, or nonprofit community-based~~
9 organization seeking a refund which states that the building
10 materials for which a refund is sought were paid for from the
11 funds of a community development block grant, State Housing
12 Initiatives Partnership Program, or similar grant or loan
13 program.

14 3. Within 10 working days after receipt of an
15 application, the governing body or enterprise zone development
16 agency shall review the application to determine if it
17 contains all the information required pursuant to subparagraph
18 1. or subparagraph 2. and meets the criteria set out in this
19 paragraph. The governing body or agency shall certify all
20 applications that contain the information required pursuant to
21 subparagraph 1. or subparagraph 2. and meet the criteria set
22 out in this paragraph as eligible to receive a refund. If
23 applicable, the governing body or agency shall also certify if
24 20 percent of the employees of the business are residents of
25 an enterprise zone, excluding temporary and part-time
26 employees. The certification shall be in writing, and a copy
27 of the certification shall be transmitted to the executive
28 director of the Department of Revenue. The applicant shall be
29 responsible for forwarding a certified application to the
30 department within the time specified in subparagraph 4.

31

1 4. An application for a refund pursuant to this
2 paragraph must be submitted to the department within 6 months
3 after the rehabilitation of the property is deemed to be
4 substantially completed by the local building code inspector
5 or within 90 days after the rehabilitated property is first
6 subject to assessment.

7 5. The provisions of s. 212.095 do not apply to any
8 refund application made pursuant to this paragraph. No more
9 than one exemption through a refund of previously paid taxes
10 for the rehabilitation of real property shall be permitted for
11 any one parcel of real property. No refund shall be granted
12 pursuant to this paragraph unless the amount to be refunded
13 exceeds \$500. No refund granted pursuant to this paragraph
14 shall exceed the lesser of 97 percent of the Florida sales or
15 use tax paid on the cost of the building materials used in the
16 rehabilitation of the real property as determined pursuant to
17 sub-subparagraph 1.e. or \$5,000, or, if no less than 20
18 percent of the employees of the business are residents of an
19 enterprise zone, excluding temporary and part-time employees,
20 the amount of refund granted pursuant to this paragraph shall
21 not exceed the lesser of 97 percent of the sales tax paid on
22 the cost of such building materials or \$10,000. A refund
23 approved pursuant to this paragraph shall be made within 30
24 days of formal approval by the department of the application
25 for the refund.

26 6. The department shall adopt rules governing the
27 manner and form of refund applications and may establish
28 guidelines as to the requisites for an affirmative showing of
29 qualification for exemption under this paragraph.

30 7. The department shall deduct an amount equal to 10
31 percent of each refund granted under the provisions of this

1 paragraph from the amount transferred into the Local
2 Government Half-cent Sales Tax Clearing Trust Fund pursuant to
3 s. 212.20 for the county area in which the rehabilitated real
4 property is located and shall transfer that amount to the
5 General Revenue Fund.

6 8. For the purposes of the exemption provided in this
7 paragraph:

8 a. "Building materials" means tangible personal
9 property which becomes a component part of improvements to
10 real property.

11 b. "Real property" has the same meaning as provided in
12 s. 192.001(12).

13 c. "Rehabilitation of real property" means the
14 reconstruction, renovation, restoration, rehabilitation,
15 construction, or expansion of improvements to real property.

16 d. "Substantially completed" has the same meaning as
17 provided in s. 192.042(1).

18 9. The provisions of this paragraph shall expire and
19 be void on December 31, 2005.

20 (h) Business property used in an enterprise zone.--

21 1. Beginning July 1, 1995, business property purchased
22 for use by businesses located in an enterprise zone which is
23 subsequently used in an enterprise zone shall be exempt from
24 the tax imposed by this chapter. This exemption inures to the
25 business only through a refund of previously paid taxes. A
26 refund shall be authorized upon an affirmative showing by the
27 taxpayer to the satisfaction of the department that the
28 requirements of this paragraph have been met.

29 2. To receive a refund, the business must file under
30 oath with the governing body or enterprise zone development
31 agency having jurisdiction over the enterprise zone where the

1 business is located, as applicable, an application which
2 includes:
3 a. The name and address of the business claiming the
4 refund.
5 b. The identifying number assigned pursuant to s.
6 290.0065 to the enterprise zone in which the business is
7 located.
8 c. A specific description of the property for which a
9 refund is sought, including its serial number or other
10 permanent identification number.
11 d. The location of the property.
12 e. The sales invoice or other proof of purchase of the
13 property, showing the amount of sales tax paid, the date of
14 purchase, and the name and address of the sales tax dealer
15 from whom the property was purchased.
16 f. Whether the business is a small business as defined
17 by s. 288.703(1).
18 g. If applicable, the name and address of each
19 permanent employee of the business, including, for each
20 employee who is a resident of an enterprise zone, the
21 identifying number assigned pursuant to s. 290.0065 to the
22 enterprise zone in which the employee resides.
23 3. Within 10 working days after receipt of an
24 application, the governing body or enterprise zone development
25 agency shall review the application to determine if it
26 contains all the information required pursuant to subparagraph
27 2. and meets the criteria set out in this paragraph. The
28 governing body or agency shall certify all applications that
29 contain the information required pursuant to subparagraph 2.
30 and meet the criteria set out in this paragraph as eligible to
31 receive a refund. If applicable, the governing body or agency

1 shall also certify if 20 percent of the employees of the
2 business are residents of an enterprise zone, excluding
3 temporary and part-time employees. The certification shall be
4 in writing, and a copy of the certification shall be
5 transmitted to the executive director of the Department of
6 Revenue. The business shall be responsible for forwarding a
7 certified application to the department within the time
8 specified in subparagraph 4.

9 4. An application for a refund pursuant to this
10 paragraph must be submitted to the department within 6 months
11 after the tax is due on the business property that is
12 purchased.

13 5. The provisions of s. 212.095 do not apply to any
14 refund application made pursuant to this paragraph. The amount
15 refunded on purchases of business property under this
16 paragraph shall be the lesser of 97 percent of the sales tax
17 paid on such business property or \$5,000, or, if no less than
18 20 percent of the employees of the business are residents of
19 an enterprise zone, excluding temporary and part-time
20 employees, the amount refunded on purchases of business
21 property under this paragraph shall be the lesser of 97
22 percent of the sales tax paid on such business property or
23 \$10,000. A refund approved pursuant to this paragraph shall be
24 made within 30 days of formal approval by the department of
25 the application for the refund. No refund shall be granted
26 under this paragraph unless the amount to be refunded exceeds
27 \$100 in sales tax paid on purchases made within a 60-day time
28 period.

29 6. The department shall adopt rules governing the
30 manner and form of refund applications and may establish
31

1 guidelines as to the requisites for an affirmative showing of
2 qualification for exemption under this paragraph.

3 7. If the department determines that the business
4 property is used outside an enterprise zone within 3 years
5 from the date of purchase, the amount of taxes refunded to the
6 business purchasing such business property shall immediately
7 be due and payable to the department by the business, together
8 with the appropriate interest and penalty, computed from the
9 date of purchase, in the manner provided by this chapter.

10 Notwithstanding this subparagraph, business property used
11 exclusively in:

- 12 a. Licensed commercial fishing vessels,
- 13 b. Fishing guide boats, or
- 14 c. Ecotourism guide boats

15
16 that leave and return to a fixed location within an area
17 designated under s. 370.28 are eligible for the exemption
18 provided under this paragraph if all requirements of this
19 paragraph are met. Such vessels and boats must be owned by a
20 business that is eligible to receive the exemption provided
21 under this paragraph. This exemption does not apply to the
22 purchase of a vessel or boat.

23 8. The department shall deduct an amount equal to 10
24 percent of each refund granted under the provisions of this
25 paragraph from the amount transferred into the Local
26 Government Half-cent Sales Tax Clearing Trust Fund pursuant to
27 s. 212.20 for the county area in which the business property
28 is located and shall transfer that amount to the General
29 Revenue Fund.

30 9. For the purposes of this exemption, "business
31 property" means new or used property defined as "recovery

1 property" in s. 168(c) of the Internal Revenue Code of 1954,
2 as amended, except:

3 a. Property classified as 3-year property under s.
4 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

5 b. Industrial machinery and equipment as defined in
6 sub-subparagraph (b)6.a. and eligible for exemption under
7 paragraph (b); ~~and~~

8 c. Building materials as defined in sub-subparagraph
9 (g)8.a.; and

10 d. Business property having a sales price of under
11 \$500 per unit.

12 10. The provisions of this paragraph shall expire and
13 be void on December 31, 2005.

14 (q) Community contribution tax credit for donations.--

15 1. Authorization.--Beginning July 1, 2001, persons who
16 are registered with the department under s. 212.18 to collect
17 or remit sales or use tax and who make donations to eligible
18 sponsors are eligible for tax credits against their state
19 sales and use tax liabilities as provided in this paragraph:

20 a. The credit shall be computed as 50 percent of the
21 person's approved annual community contribution;

22 b. The credit shall be granted as a refund against
23 state sales and use taxes reported on returns and remitted in
24 the 12 months preceding the date of application to the
25 department for the credit as required in sub-subparagraph 3.c.
26 If the annual credit is not fully used through such refund
27 because of insufficient tax payments during the applicable
28 12-month period, the unused amount may be included in an
29 application for a refund made pursuant to sub-subparagraph
30 3.c. in subsequent years against the total tax payments made
31 for such year. Carryover credits may be applied for a 3-year

1 period without regard to any time limitation that would
2 otherwise apply under s. 215.26;

3 c. No person shall receive more than \$200,000 in
4 annual tax credits for all approved community contributions
5 made in any one year;

6 d. All proposals for the granting of the tax credit
7 shall require the prior approval of the Office of Tourism,
8 Trade, and Economic Development;

9 e. The total amount of tax credits which may be
10 granted for all programs approved under this paragraph, s.
11 220.183, and s. 624.5105 is \$20 million annually; and

12 f. A person who is eligible to receive the credit
13 provided for in this paragraph, s. 220.183, or s. 624.5105 may
14 receive the credit only under the one section of the person's
15 choice.

16 2. Eligibility requirements.--

17 a. A community contribution by a person must be in the
18 following form:

19 (I) Cash or other liquid assets;

20 (II) Real property;

21 (III) Goods or inventory; or

22 (IV) Other physical resources as identified by the
23 Office of Tourism, Trade, and Economic Development.

24 b. All community contributions must be reserved
25 exclusively for use in a project. As used in this
26 sub-subparagraph, the term "project" means any activity
27 undertaken by an eligible sponsor which is designed to
28 construct, improve, or substantially rehabilitate housing that
29 is affordable to low-income or very-low-income households as
30 defined in s. 420.9071(19) and (28); designed to provide
31 commercial, industrial, or public resources and facilities; or

1 designed to improve entrepreneurial and job-development
2 opportunities for low-income persons. A project may be the
3 investment necessary to increase access to high-speed
4 broadband capability in rural communities with enterprise
5 zones, including projects that result in improvements to
6 communications assets that are owned by a business. A project
7 may include the provision of museum educational programs and
8 materials that are directly related to any project approved
9 between January 1, 1996, and December 31, 1999, and located in
10 an enterprise zone as referenced in s. 290.00675. This
11 paragraph does not preclude projects that propose to construct
12 or rehabilitate housing for low-income or very-low-income
13 households on scattered sites. The Office of Tourism, Trade,
14 and Economic Development may reserve up to 50 percent of the
15 available annual tax credits for housing for very-low-income
16 households pursuant to s. 420.9071(28) for the first 6 months
17 of the fiscal year. With respect to housing, contributions may
18 be used to pay the following eligible low-income and
19 very-low-income housing-related activities:
20 (I) Project development impact and management fees for
21 low-income or very-low-income housing projects;
22 (II) Down payment and closing costs for eligible
23 persons, as defined in s. 420.9071(19) and (28);
24 (III) Administrative costs, including housing
25 counseling and marketing fees, not to exceed 10 percent of the
26 community contribution, directly related to low-income or
27 very-low-income projects; and
28 (IV) Removal of liens recorded against residential
29 property by municipal, county, or special-district local
30 governments when satisfaction of the lien is a necessary
31 precedent to the transfer of the property to an eligible

1 person, as defined in s. 420.9071(19) and (28), for the
2 purpose of promoting home ownership. Contributions for lien
3 removal must be received from a nonrelated third party.

4 c. The project must be undertaken by an "eligible
5 sponsor," which includes:

6 (I) A community action program;

7 (II) A nonprofit community-based development
8 organization whose mission is the provision of housing for
9 low-income or very-low-income households or increasing
10 entrepreneurial and job-development opportunities for
11 low-income persons;

12 (III) A neighborhood housing services corporation;

13 (IV) A local housing authority created under chapter
14 421;

15 (V) A community redevelopment agency created under s.
16 163.356;

17 (VI) The Florida Industrial Development Corporation;

18 (VII) An historic preservation district agency or
19 organization;

20 (VIII) A regional workforce board;

21 (IX) A direct-support organization as provided in s.
22 240.551;

23 (X) An enterprise zone development agency created
24 under s. 290.0056;

25 (XI) A community-based organization incorporated under
26 chapter 617 which is recognized as educational, charitable, or
27 scientific pursuant to s. 501(c)(3) of the Internal Revenue
28 Code and whose by-laws and articles of incorporation include
29 affordable housing, economic development, or community
30 development as the primary mission of the corporation;

31 (XII) Units of local government;

1 (XIII) Units of state government; or
2 (XIV) Any other agency that the Office of Tourism,
3 Trade, and Economic Development designates by rule.
4
5 In no event may a contributing person have a financial
6 interest in the eligible sponsor.
7 d. The project must be located in an area designated
8 an enterprise zone or a Front Porch Florida community pursuant
9 to s. 14.2015(9)(b), unless the project increases access to
10 high-speed broadband capability for rural communities with
11 enterprise zones but is physically located outside the
12 designated rural zone boundaries. Any project designed to
13 construct or rehabilitate housing for low-income or
14 very-low-income households as defined in s. 420.0971(19) and
15 (28) is exempt from the area requirement of this
16 sub-subparagraph.
17 3. Application requirements.--
18 a. Any eligible sponsor seeking to participate in this
19 program must submit a proposal to the Office of Tourism,
20 Trade, and Economic Development which sets forth the name of
21 the sponsor, a description of the project and the area in
22 which the project is located, together with such supporting
23 information as is prescribed by rule. The proposal must also
24 contain a resolution from the local governmental unit in which
25 the project is located certifying that the project is
26 consistent with local plans and regulations.
27 b. Any person seeking to participate in this program
28 must submit an application for tax credit to the Office of
29 Tourism, Trade, and Economic Development which sets forth the
30 name of the sponsor, a description of the project, and the
31 type, value, and purpose of the contribution. The sponsor

1 shall verify the terms of the application and indicate its
2 receipt of the contribution, which verification must be in
3 writing and accompany the application for tax credit. The
4 person must submit a separate tax credit application to the
5 office for each individual contribution that it makes to each
6 individual project.

7 c. Any person who has received notification from the
8 Office of Tourism, Trade, and Economic Development that a tax
9 credit has been approved must apply to the department to
10 receive the refund. Application must be made on the form
11 prescribed for claiming refunds of sales and use taxes and be
12 accompanied by a copy of the notification. A person may submit
13 only one application for refund to the department within any
14 12-month period.

15 4. Administration.--

16 a. The Office of Tourism, Trade, and Economic
17 Development may adopt rules pursuant to ss. 120.536(1) and
18 120.54 necessary to administer this paragraph, including rules
19 for the approval or disapproval of proposals by a person.

20 b. The decision of the Office of Tourism, Trade, and
21 Economic Development must be in writing, and, if approved, the
22 notification shall state the maximum credit allowable to the
23 person. Upon approval, the office shall transmit a copy of the
24 decision to the Department of Revenue.

25 c. The Office of Tourism, Trade, and Economic
26 Development shall periodically monitor all projects in a
27 manner consistent with available resources to ensure that
28 resources are used in accordance with this paragraph; however,
29 each project must be reviewed at least once every 2 years.

30 d. The Office of Tourism, Trade, and Economic
31 Development shall, in consultation with the Department of

1 Community Affairs, the Florida Housing Finance Corporation,
2 and the statewide and regional housing and financial
3 intermediaries, market the availability of the community
4 contribution tax credit program to community-based
5 organizations.

6 5. Expiration.--This paragraph expires June 30, 2005;
7 however, any accrued credit carryover that is unused on that
8 date may be used until the expiration of the 3-year carryover
9 period for such credit.

10 Section 2. Effective January 1, 2002, section 212.096,
11 Florida Statutes, is amended to read:

12 212.096 Sales, rental, storage, use tax; enterprise
13 zone jobs credit against sales tax.--

14 (1) For the purposes of the credit provided in this
15 section:

16 (a) "Eligible business" means any sole proprietorship,
17 firm, partnership, corporation, bank, savings association,
18 estate, trust, business trust, receiver, syndicate, or other
19 group or combination, or successor business, located in an
20 enterprise zone. The business must demonstrate to the
21 department that the total number of full-time jobs defined
22 under paragraph (d) has increased from the average of the
23 previous 12 months. The term "eligible business" includes a
24 business that added a minimum of five new full-time jobs in an
25 enterprise zone between July 1, 2000, and December 31, 2001.
26 An eligible business does not include any business which has
27 claimed the credit permitted under s. 220.181 for any new
28 business employee first beginning employment with the business
29 after July 1, 1995.

30 (b) "Month" means either a calendar month or the time
31 period from any day of any month to the corresponding day of

1 the next succeeding month or, if there is no corresponding day
2 in the next succeeding month, the last day of the succeeding
3 month.

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

12 (d) "Jobs" means full-time positions, as consistent
13 with terms used by the Agency for Workforce Innovation and the
14 United States Department of Labor for purposes of unemployment
15 compensation tax administration and employment estimation
16 resulting directly from a business operation in this state.
17 This number may not include temporary construction jobs
18 involved with the construction of facilities or any jobs that
19 have previously been included in any application for tax
20 credits under s. 220.181(1). The term "jobs" also includes
21 employment of an employee leased from an employee leasing
22 company licensed under chapter 468 if such employee has been
23 continuously leased to the employer for an average of at least
24 36 hours per week for more than 6 months.

25 (e) "New job has been created" means that the total
26 number of full-time jobs has increased in an enterprise zone
27 from the average of the previous 12 months, as demonstrated to
28 the department by a business located in the enterprise zone.

29
30 A person shall be deemed to be employed if the person performs
31 duties in connection with the operations of the business on a

1 regular, full-time basis, provided the person is performing
2 such duties for an average of at least 36 hours per week each
3 month, ~~or a part-time basis, provided the person is performing~~
4 ~~such duties for an average of at least 20 hours per week each~~
5 ~~month throughout the year.~~ The person must be performing such
6 duties at a business site located in the enterprise zone.

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

11 Therefore, beginning January ~~July~~ 1, 2002 ~~1995~~, upon an
12 affirmative showing by an eligible ~~a~~ business to the
13 satisfaction of the department that the requirements of this
14 section have been met, the business shall be allowed a credit
15 against the tax remitted under this chapter.

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

17 ~~1. Ten~~ percent of the actual monthly wages paid in
18 this state to each new employee hired when a new job has been
19 created, unless the business is located within a rural
20 enterprise zone pursuant to s. 290.004(8), in which case the
21 credit shall be 30 percent of the actual monthly wages paid
22 ~~whose wages do not exceed \$1,500 a month.~~ If no less than 20
23 percent of the employees of the business are residents of an
24 enterprise zone, excluding temporary and part-time employees,
25 the credit shall be computed as 30 ~~15~~ percent of the actual
26 monthly wages paid in this state to each new employee hired
27 when a new job has been created, unless the business is
28 located within a rural enterprise zone, in which case the
29 credit shall be 45 percent of the actual monthly wages paid.
30
31

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

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

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

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

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

28 (b) If applicable, the name and address of each
29 permanent employee of the business, including, for each
30 employee who is a resident of an enterprise zone, the

31

1 identifying number assigned pursuant to s. 290.0065 to the
2 enterprise zone in which the employee resides.

3 (c) The name and address of the eligible business.

4 (d) The starting salary or hourly wages paid to the
5 new employee.

6 (e) Demonstration to the department that the total
7 number of full-time jobs defined under paragraph (1)(d) has
8 increased in an enterprise zone from the average of the
9 previous 12 months.

10 (f)~~(e)~~ The identifying number assigned pursuant to s.
11 290.0065 to the enterprise zone in which the business is
12 located.

13 (g)~~(f)~~ Whether the business is a small business as
14 defined by s. 288.703(1).

15 (h)~~(g)~~ Within 10 working days after receipt of an
16 application, the governing body or enterprise zone development
17 agency shall review the application to determine if it
18 contains all the information required pursuant to this
19 subsection and meets the criteria set out in this section. The
20 governing body or agency shall certify all applications that
21 contain the information required pursuant to this subsection
22 and meet the criteria set out in this section as eligible to
23 receive a credit. If applicable, the governing body or agency
24 shall also certify if 20 percent of the employees of the
25 business are residents of an enterprise zone, excluding
26 temporary and part-time employees. The certification shall be
27 in writing, and a copy of the certification shall be
28 transmitted to the executive director of the Department of
29 Revenue. The business shall be responsible for forwarding a
30 certified application to the department within the time
31 specified in paragraph(i)~~(h)~~.

1 ~~(i)(h)~~ All applications for a credit pursuant to this
2 section must be submitted to the department within 6 ~~4~~ months
3 after the new employee is hired.

4 (4) Within 10 working days after receipt of a
5 completed application for a credit authorized in this section,
6 the department shall inform the business that the application
7 has been approved. The credit may be taken on the first return
8 due after receipt of approval from the department.

9 ~~(5)(4)~~ In the event the application is incomplete or
10 insufficient to support the credit authorized in this section,
11 the department shall deny the credit and notify the business
12 of that fact. The business may reapply for this credit.

13 ~~(6)(5)~~ The credit provided in this section does not
14 apply:

15 (a) For any new employee who is an owner, partner, or
16 stockholder of an eligible business.

17 (b) For any new employee who is employed for any
18 period less than 3 ~~full~~ calendar months.

19 ~~(7)(6)~~ The credit provided in this section shall not
20 be allowed for any month in which the tax due for such period
21 or the tax return required pursuant to s. 212.11 for such
22 period is delinquent.

23 ~~(8)(7)~~ In the event an eligible business has a credit
24 larger than the amount owed the state on the tax return for
25 the time period in which the credit is claimed, the amount of
26 the credit for that time period shall be the amount owed the
27 state on that tax return.

28 ~~(9)(8)~~ Any business which has claimed this credit
29 shall not be allowed any credit under the provisions of s.
30 220.181 for any new employee beginning employment after July
31 1, 1995.

1 (10)~~(9)~~ It shall be the responsibility of each
2 business to affirmatively demonstrate to the satisfaction of
3 the department that it meets the requirements of this section.

4 (11)~~(10)~~ Any person who fraudulently claims this
5 credit is liable for repayment of the credit plus a mandatory
6 penalty of 100 percent of the credit plus interest at the rate
7 provided in this chapter, and such person is guilty of a
8 misdemeanor of the second degree, punishable as provided in s.
9 775.082 or s. 775.083.

10 (12)~~(11)~~ The provisions of this section, except for
11 subsection(11)~~(10)~~, ~~shall expire and be void on~~ December 31,
12 2005.

13 Section 3. Effective January 1, 2002, section 212.098,
14 Florida Statutes, is amended to read:

15 212.098 Rural Job Tax Credit Program.--

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

17 (a) "Eligible business" means any sole proprietorship,
18 firm, partnership, or corporation that is located in a
19 qualified county and is predominantly engaged in, or is
20 headquarters for a business predominantly engaged in,
21 activities usually provided for consideration by firms
22 classified within the following standard industrial
23 classifications: SIC 01-SIC 09 (agriculture, forestry, and
24 fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public
25 warehousing and storage); SIC 70 (hotels and other lodging
26 places); SIC 7391 (research and development); SIC 7992 (public
27 golf courses); ~~and~~ SIC 7996 (amusement parks); and a targeted
28 industry eligible for the qualified target industry business
29 tax refund under s. 288.106. A call center or similar customer
30 service operation that services a multistate market or an
31 international market is also an eligible business. In

1 addition, the Office of Tourism, Trade, and Economic
2 Development may, as part of its final budget request submitted
3 pursuant to s. 216.023, recommend additions to or deletions
4 from the list of standard industrial classifications used to
5 determine an eligible business, and the Legislature may
6 implement such recommendations. Excluded from eligible
7 receipts are receipts from retail sales, except such receipts
8 for hotels and other lodging places classified in SIC 70,
9 public golf courses in SIC 7992, and amusement parks in SIC
10 7996. For purposes of this paragraph, the term
11 "predominantly" means that more than 50 percent of the
12 business's gross receipts from all sources is generated by
13 those activities usually provided for consideration by firms
14 in the specified standard industrial classification. The
15 determination of whether the business is located in a
16 qualified county and the tier ranking of that county must be
17 based on the date of application for the credit under this
18 section. Commonly owned and controlled entities are to be
19 considered a single business entity.

20 (b) "Qualified employee" means any employee of an
21 eligible business who performs duties in connection with the
22 operations of the business on a regular, full-time basis for
23 an average of at least 36 hours per week for at least 3 months
24 within the qualified county in which the eligible business is
25 located. The term also includes an employee leased from an
26 employee leasing company licensed under chapter 468, if such
27 employee has been continuously leased to the employer for an
28 average of at least 36 hours per week for more than 6 months.
29 An owner or partner of the eligible business is not a
30 qualified employee.

31

1 (c) "Qualified area county" means any area that is
2 contained within a rural area of critical economic concern
3 designated under s. 288.0656, a county that has a population
4 of fewer than 75,000 persons, or any county that has a
5 population of 100,000 or less and is contiguous to a county
6 that has a population of less than 75,000, selected in the
7 following manner: every third year, the Office of Tourism,
8 Trade, and Economic Development shall rank and tier the
9 state's counties according to the following four factors:

10 1. Highest unemployment rate for the most recent
11 36-month period.

12 2. Lowest per capita income for the most recent
13 36-month period.

14 3. Highest percentage of residents whose incomes are
15 below the poverty level, based upon the most recent data
16 available.

17 4. Average weekly manufacturing wage, based upon the
18 most recent data available.

19
20 ~~Tier one qualified counties are those ranked 1-5 and represent~~
21 ~~the state's least-developed counties according to this~~
22 ~~ranking. Tier two qualified counties are those ranked 6-10,~~
23 ~~and tier three counties are those ranked 11-17.~~

24 ~~Notwithstanding this definition, "qualified county" also means~~
25 ~~a county that contains an area that has been designated as a~~
26 ~~federal Enterprise Community pursuant to the 1999 Agricultural~~
27 ~~Appropriations Act. Such a designated area shall be ranked in~~
28 ~~tier three until the areas are reevaluated by the Office of~~
29 ~~Tourism, Trade, and Economic Development.~~

30 (d) "New business" means any eligible business first
31 beginning operation on a site in a qualified county and

1 clearly separate from any other commercial or business
2 operation of the business entity within a qualified county. A
3 business entity that operated an eligible business within a
4 qualified county within the 48 months before the period
5 provided for application by subsection (2) is not considered a
6 new business.

7 (e) "Existing business" means any eligible business
8 that does not meet the criteria for a new business.

9 (2) A new eligible business may apply for a tax credit
10 under this subsection once at any time during its first year
11 of operation. A new eligible business in a tier-one qualified
12 area that county which has at least 10 qualified employees on
13 the date of application shall receive a ~~\$1,000~~\$1,500 tax
14 credit for each such employee. ~~A new eligible business in a~~
15 ~~tier-two qualified county which has at least 20 qualified~~
16 ~~employees on the date of application shall receive a \$1,000~~
17 ~~tax credit for each such employee. A new eligible business in~~
18 ~~a tier-three qualified county which has at least 30 qualified~~
19 ~~employees on the date of application shall receive a \$500 tax~~
20 ~~credit for each such employee.~~

21 (3) An existing eligible business may apply for a tax
22 credit under this subsection at any time it is entitled to
23 such credit, except as restricted by this subsection. An
24 existing eligible business with fewer than 50 employees in a
25 ~~tier-one~~ qualified area that county which on the date of
26 application has at least 20 percent 5 more qualified employees
27 than it had 1 year prior to its date of application shall
28 receive a ~~\$1,000~~\$1,500 tax credit for each such additional
29 employee. An existing ~~eligible~~ business that has 50 employees
30 or more in a qualified area that, on the date of application,
31 has at least 10 more qualified employees than it had 1 year

1 prior to its date of application shall receive a \$1,000 tax
2 credit for each additional employee.~~in a tier-two qualified~~
3 ~~county which on the date of application has at least 10 more~~
4 ~~qualified employees than it had 1 year prior to its date of~~
5 ~~application shall receive a \$1,000 credit for each such~~
6 ~~additional employee. An existing business in a tier-three~~
7 ~~qualified county which on the date of application has at least~~
8 ~~15 more qualified employees than it had 1 year prior to its~~
9 ~~date of application shall receive a \$500 tax credit for each~~
10 ~~such additional employee. An existing business may apply for~~
11 ~~the credit under this subsection no more than once in any~~
12 ~~12-month period.~~Any existing eligible business that received
13 a credit under subsection (2) may not apply for the credit
14 under this subsection sooner than 12 months after the
15 application date for the credit under subsection (2).

16 (4) For any new eligible business receiving a credit
17 pursuant to subsection (2), an additional \$500 credit shall be
18 provided for any qualified employee who is a welfare
19 transition program participant. For any existing eligible
20 business receiving a credit pursuant to subsection (3), an
21 additional \$500 credit shall be provided for any qualified
22 employee who is a welfare transition program participant. Such
23 employee must be employed on the application date and have
24 been employed less than 1 year. This credit shall be in
25 addition to other credits pursuant to this section regardless
26 of the tier-level of the county. Appropriate documentation
27 concerning the eligibility of an employee for this credit must
28 be submitted as determined by the department.

29 (5) To be eligible for a tax credit under subsection
30 (3), the number of qualified employees employed 1 year prior
31 to the application date must be no lower than the number of

1 qualified employees on the application date on which a credit
2 under this section was based for any previous application,
3 including an application under subsection (2).

4 (6)(a) In order to claim this credit, an eligible
5 business must file under oath with the Office of Tourism,
6 Trade, and Economic Development a statement that includes the
7 name and address of the eligible business, the starting salary
8 or hourly wages paid to the new employee, and any other
9 information that the Department of Revenue requires.

10 (b) Within 30 working days after receipt of an
11 application for credit, the Office of Tourism, Trade, and
12 Economic Development shall review the application to determine
13 whether it contains all the information required by this
14 subsection and meets the criteria set out in this section.
15 Subject to the provisions of paragraph (c), the Office of
16 Tourism, Trade, and Economic Development shall approve all
17 applications that contain the information required by this
18 subsection and meet the criteria set out in this section as
19 eligible to receive a credit.

20 (c) The maximum credit amount that may be approved
21 during any calendar year is \$5 million. The Department of
22 Revenue, in conjunction with the Office of Tourism, Trade, and
23 Economic Development, shall notify the governing bodies in
24 areas designated as qualified counties when the \$5 million
25 maximum amount has been reached. Applications must be
26 considered for approval in the order in which they are
27 received without regard to whether the credit is for a new or
28 existing business. This limitation applies to the value of
29 the credit as contained in approved applications. Approved
30 credits may be taken in the time and manner allowed pursuant
31 to this section.

1 (d) A business may not receive more than \$500,000 of
2 tax credits during any one calendar year for its efforts in
3 creating jobs.

4 (7) If the application is insufficient to support the
5 credit authorized in this section, the Office of Tourism,
6 Trade, and Economic Development shall deny the credit and
7 notify the business of that fact. The business may reapply
8 for this credit within 3 months after such notification.

9 (8) If the credit under this section is greater than
10 can be taken on a single tax return, excess amounts may be
11 taken as credits on any tax return submitted within 12 months
12 after the approval of the application by the department.

13 (9) It is the responsibility of each business to
14 affirmatively demonstrate to the satisfaction of the
15 Department of Revenue that it meets the requirements of this
16 section.

17 (10) Any person who fraudulently claims this credit is
18 liable for repayment of the credit plus a mandatory penalty of
19 100 percent of the credit and is guilty of a misdemeanor of
20 the second degree, punishable as provided in s. 775.082 or s.
21 775.083.

22 (11) A corporation may take the credit under this
23 section against its corporate income tax liability, as
24 provided in s. 220.1895. However, a corporation that uses its
25 job tax credit against the tax imposed by chapter 220 may not
26 receive the credit provided for in this section. A credit may
27 be taken against only one tax.

28 (12) The department shall adopt rules governing the
29 manner and form of applications for credit and may establish
30 guidelines as to the requisites for an affirmative showing of
31 qualification for the credit under this section.

1 Section 4. Reduction or waiver of financial match
2 requirements.--Notwithstanding any other law, the member
3 agencies and organizations of the Rural Economic Development
4 Initiative (REDI), as defined in section 288.0656(6)(a),
5 Florida Statutes, shall review the financial match
6 requirements for projects in rural areas as defined in section
7 288.0656(2)(b), Florida Statutes.

8 (1) Each agency and organization shall develop a
9 proposal to waive or reduce the match requirement for rural
10 areas.

11 (2) Agencies and organizations shall ensure that all
12 proposals are submitted to the Office of Tourism, Trade, and
13 Economic Development for review by the REDI agencies.

14 (3) These proposals shall be delivered to the Office
15 of Tourism, Trade, and Economic Development for distribution
16 to the REDI agencies and organizations. A meeting of REDI
17 agencies and organizations must be called within 30 days after
18 receipt of such proposals for REDI comment and recommendations
19 on each proposal.

20 (4) Waivers and reductions must be requested by the
21 county or community, and such county or community must have
22 three or more of the factors identified in section
23 288.0656(2)(a), Florida Statutes.

24 (5) Any other funds available to the project may be
25 used for financial match of federal programs when there is
26 fiscal hardship and the match requirements may not be waived
27 or reduced.

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

31

1 (7) To the fullest extent possible, agencies and
2 organizations shall expedite the rule adoption and amendment
3 process if necessary to incorporate the reduction in match by
4 rural areas in fiscal distress.

5 (8) REDI shall include in its annual report an
6 evaluation on the status of changes to rules, number of awards
7 made with waivers, and recommendations for future changes.

8 Section 5. Subsection (1) of section 220.03, Florida
9 Statutes, is amended to read:

10 220.03 Definitions.--

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

15 (a) "Ad valorem taxes paid" means 96 percent of
16 property taxes levied for operating purposes and does not
17 include interest, penalties, or discounts foregone. In
18 addition, the term "ad valorem taxes paid," for purposes of
19 the credit in s. 220.182, means the ad valorem tax paid on new
20 or additional real or personal property acquired to establish
21 a new business or facilitate a business expansion, including
22 pollution and waste control facilities, or any part thereof,
23 and including one or more buildings or other structures,
24 machinery, fixtures, and equipment. The provisions of this
25 paragraph shall expire and be void on June 30, 2005.

26 (b) "Affiliated group of corporations" means two or
27 more corporations which constitute an affiliated group of
28 corporations as defined in s. 1504(a) of the Internal Revenue
29 Code.

30 (c) "Business" or "business firm" means any business
31 entity authorized to do business in this state as defined in

1 paragraph (e), and any bank or savings and loan association as
2 defined in s. 220.62, subject to the tax imposed by the
3 provisions of this chapter. The provisions of this paragraph
4 shall expire and be void on June 30, 2005.

5 (d) "Community contribution" means the grant by a
6 business firm of any of the following items:

- 7 1. Cash or other liquid assets.
- 8 2. Real property.
- 9 3. Goods or inventory.
- 10 4. Other physical resources as identified by the
11 department.

12
13 The provisions of this paragraph shall expire and be void on
14 June 30, 2005.

15 (e) "Corporation" includes all domestic corporations;
16 foreign corporations qualified to do business in this state or
17 actually doing business in this state; joint-stock companies;
18 limited liability companies, under chapter 608; common-law
19 declarations of trust, under chapter 609; corporations not for
20 profit, under chapter 617; agricultural cooperative marketing
21 associations, under chapter 618; professional service
22 corporations, under chapter 621; foreign unincorporated
23 associations, under chapter 622; private school corporations,
24 under chapter 623; foreign corporations not for profit which
25 are carrying on their activities in this state; and all other
26 organizations, associations, legal entities, and artificial
27 persons which are created by or pursuant to the statutes of
28 this state, the United States, or any other state, territory,
29 possession, or jurisdiction. The term "corporation" does not
30 include proprietorships, even if using a fictitious name;
31 partnerships of any type, as such; limited liability companies

1 that are taxable as partnerships for federal income tax
2 purposes; state or public fairs or expositions, under chapter
3 616; estates of decedents or incompetents; testamentary
4 trusts; or private trusts.

5 (f) "Department" means the Department of Revenue of
6 this state.

7 (g) "Director" means the executive director of the
8 Department of Revenue and, when there has been an appropriate
9 delegation of authority, the executive director's delegate.

10 (h) "Earned," "accrued," "paid," or "incurred" shall
11 be construed according to the method of accounting upon the
12 basis of which a taxpayer's income is computed under this
13 code.

14 (i) "Emergency," as used in s. 220.02 and in paragraph
15 (u) of this subsection, means occurrence of widespread or
16 severe damage, injury, or loss of life or property proclaimed
17 pursuant to s. 14.022 or declared pursuant to s. 252.36. The
18 provisions of this paragraph shall expire and be void on June
19 30, 2005.

20 (j) "Enterprise zone" means an area in the state
21 designated pursuant to s. 290.0065. The provisions of this
22 paragraph shall expire and be void on June 30, 2005.

23 (k) "Expansion of an existing business," for the
24 purposes of the enterprise zone property tax credit, means any
25 business entity authorized to do business in this state as
26 defined in paragraph (e), and any bank or savings and loan
27 association as defined in s. 220.62, subject to the tax
28 imposed by the provisions of this chapter, located in an
29 enterprise zone, which expands by or through additions to real
30 and personal property and which establishes five or more new
31 jobs to employ five or more additional full-time employees at

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

3 (l) "Fiscal year" means an accounting period of 12
4 months or less ending on the last day of any month other than
5 December or, in the case of a taxpayer with an annual
6 accounting period of 52-53 weeks under s. 441(f) of the
7 Internal Revenue Code, the period determined under that
8 subsection.

9 (m) "Includes" or "including," when used in a
10 definition contained in this code, shall not be deemed to
11 exclude other things otherwise within the meaning of the term
12 defined.

13 (n) "Internal Revenue Code" means the United States
14 Internal Revenue Code of 1986, as amended and in effect on
15 January 1, 2000, except as provided in subsection (3).

16 (o) "Local government" means any county or
17 incorporated municipality in the state. The provisions of this
18 paragraph shall expire and be void on June 30, 2005.

19 (p) "New business," for the purposes of the enterprise
20 zone property tax credit, means any business entity authorized
21 to do business in this state as defined in paragraph (e), or
22 any bank or savings and loan association as defined in s.
23 220.62, subject to the tax imposed by the provisions of this
24 chapter, first beginning operations on a site located in an
25 enterprise zone and clearly separate from any other commercial
26 or industrial operations owned by the same entity, bank, or
27 savings and loan association and which establishes five or
28 more new jobs to employ five or more additional full-time
29 employees at such location. The provisions of this paragraph
30 shall expire and be void on June 30, 2005.

31

1 (q) "New employee," for the purposes of the enterprise
2 zone jobs credit, means a person residing in an enterprise
3 zone, ~~a qualified Job Training Partnership Act classroom~~
4 ~~training participant, or a WAGES Program participant~~ in the
5 welfare transition program who is employed at a business
6 located in an enterprise zone who begins employment in the
7 operations of the business after July 1, 1995, and who has not
8 been previously employed full-time within the preceding 12
9 months by the business or a successor business claiming the
10 credit pursuant to s. 220.181. A person shall be deemed to be
11 employed by such a business if the person performs duties in
12 connection with the operations of the business on a full-time
13 basis, provided she or he is performing such duties for an
14 average of at least 36 hours per week each month, ~~or a~~
15 ~~part-time basis, provided she or he is performing such duties~~
16 ~~for an average of at least 20 hours per week each month~~
17 throughout the year. The term "jobs" also includes employment
18 of an employee leased from an employee leasing company
19 licensed under chapter 468, if such employee has been
20 continuously leased to the employer for an average of at least
21 36 hours per week for more than 6 months.The person must be
22 performing such duties at a business site located in an
23 enterprise zone. The provisions of this paragraph shall expire
24 and be void on June 30, 2005.

25 (r) "Nonbusiness income" means rents and royalties
26 from real or tangible personal property, capital gains,
27 interest, dividends, and patent and copyright royalties, to
28 the extent that they do not arise from transactions and
29 activities in the regular course of the taxpayer's trade or
30 business. The term "nonbusiness income" does not include
31 income from tangible and intangible property if the

1 acquisition, management, and disposition of the property
2 constitute integral parts of the taxpayer's regular trade or
3 business operations, or any amounts which could be included in
4 apportionable income without violating the due process clause
5 of the United States Constitution. For purposes of this
6 definition, "income" means gross receipts less all expenses
7 directly or indirectly attributable thereto. Functionally
8 related dividends are presumed to be business income.

9 (s) "Partnership" includes a syndicate, group, pool,
10 joint venture, or other unincorporated organization through or
11 by means of which any business, financial operation, or
12 venture is carried on, including a limited partnership; and
13 the term "partner" includes a member having a capital or a
14 profits interest in a partnership.

15 (t) "Project" means any activity undertaken by an
16 eligible sponsor, as defined in s. 220.183(2)(c), which is
17 designed to construct, improve, or substantially rehabilitate
18 housing that is affordable to low-income or very-low-income
19 households as defined in s. 420.9071(19) and (28); designed to
20 provide commercial, industrial, or public resources and
21 facilities; or designed to improve entrepreneurial and
22 job-development opportunities for low-income persons. The term
23 also includes the provision of educational programs and
24 materials by an eligible sponsor. A project may be the
25 investment necessary to increase access to high-speed
26 broadband capability in rural communities with enterprise
27 zones, including projects that result in improvements to
28 communications assets that are owned by a business. A project
29 may include the provision of museum educational programs and
30 materials that are directly related to any project approved
31 between January 1, 1996, and December 31, 1999, and located in

1 an enterprise zone as referenced in s. 290.00675. This
2 paragraph does not preclude projects that propose to construct
3 or rehabilitate low-income or very-low-income housing on
4 scattered sites. The Office of Tourism, Trade, and Economic
5 Development may reserve up to 50 percent of the available
6 annual tax credits under s. 220.181 for housing for
7 very-low-income households pursuant to s. 420.9071(28) for the
8 first 6 months of the fiscal year. With respect to housing,
9 contributions may be used to pay the following eligible
10 project-related activities:

11 1. Project development, impact, and management fees
12 for low-income or very-low-income housing projects;

13 2. Down payment and closing costs for eligible
14 persons, as defined in s. 420.9071(19) and (28);

15 3. Administrative costs, including housing counseling
16 and marketing fees, not to exceed 10 percent of the community
17 contribution, directly related to low-income or
18 very-low-income projects; and

19 4. Removal of liens recorded against residential
20 property by municipal, county, or special-district local
21 governments when satisfaction of the lien is a necessary
22 precedent to the transfer of the property to an eligible
23 person, as defined in s. 420.9071(19) and (28), for the
24 purpose of promoting home ownership. Contributions for lien
25 removal must be received from a nonrelated third party.

26 ~~"Project" means any activity undertaken by an eligible~~
27 ~~sponsor, as defined in s. 220.183(2)(c), which is designed to~~
28 ~~construct, improve, or substantially rehabilitate housing or~~
29 ~~commercial, industrial, or public resources and facilities or~~
30 ~~to improve entrepreneurial and job-development opportunities~~
31 ~~for low-income persons.~~

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

4 (u) "Rebuilding of an existing business" means
5 replacement or restoration of real or tangible property
6 destroyed or damaged in an emergency, as defined in paragraph
7 (i), after July 1, 1995, in an enterprise zone, by a business
8 entity authorized to do business in this state as defined in
9 paragraph (e), or a bank or savings and loan association as
10 defined in s. 220.62, subject to the tax imposed by the
11 provisions of this chapter, located in the enterprise zone.
12 The provisions of this paragraph shall expire and be void on
13 June 30, 2005.

14 (v) "Regulations" includes rules promulgated, and
15 forms prescribed, by the department.

16 (w) "Returns" includes declarations of estimated tax
17 required under this code.

18 (x) "Secretary" means the secretary of the Department
19 of Commerce. The provisions of this paragraph shall expire and
20 be void on June 30, 2005.

21 (y) "State," when applied to a jurisdiction other than
22 Florida, means any state of the United States, the District of
23 Columbia, the Commonwealth of Puerto Rico, any territory or
24 possession of the United States, and any foreign country, or
25 any political subdivision of any of the foregoing.

26 (z) "Taxable year" means the calendar or fiscal year
27 upon the basis of which net income is computed under this
28 code, including, in the case of a return made for a fractional
29 part of a year, the period for which such return is made.

30 (aa) "Taxpayer" means any corporation subject to the
31 tax imposed by this code, and includes all corporations for

1 which a consolidated return is filed under s. 220.131.
2 However, "taxpayer" does not include a corporation having no
3 individuals (including individuals employed by an affiliate)
4 receiving compensation in this state as defined in s. 220.15
5 when the only property owned or leased by said corporation
6 (including an affiliate) in this state is located at the
7 premises of a printer with which it has contracted for
8 printing, if such property consists of the final printed
9 product, property which becomes a part of the final printed
10 product, or property from which the printed product is
11 produced.

12 (bb) "Functionally related dividends" include the
13 following types of dividends:

14 1. Those received from a subsidiary of which the
15 voting stock is more than 50 percent owned or controlled by
16 the taxpayer or members of its affiliated group and which is
17 engaged in the same general line of business.

18 2. Those received from any corporation which is either
19 a significant source of supply for the taxpayer or its
20 affiliated group or a significant purchaser of the output of
21 the taxpayer or its affiliated group, or which sells a
22 significant part of its output or obtains a significant part
23 of its raw materials or input from the taxpayer or its
24 affiliated group. "Significant" means an amount of 15 percent
25 or more.

26 3. Those resulting from the investment of working
27 capital or some other purpose in furtherance of the taxpayer
28 or its affiliated group.

29

30 However, dividends not otherwise subject to tax under this
31 chapter are excluded.

1 (cc) "Child care facility startup costs" means
2 expenditures for substantial renovation, equipment, including
3 playground equipment and kitchen appliances and cooking
4 equipment, real property, including land and improvements, and
5 for reduction of debt, made in connection with a child care
6 facility as defined by s. 402.302, or any facility providing
7 daily care to children who are mildly ill, which is located in
8 this state on the taxpayer's premises and used by the
9 employees of the taxpayer.

10 (dd) "Operation of a child care facility" means
11 operation of a child care facility as defined by s. 402.302,
12 or any facility providing daily care to children who are
13 mildly ill, which is located in this state within 5 miles of
14 at least one place of business of the taxpayer and which is
15 used by the employees of the taxpayer.

16 (ee) "Citrus processing company" means a corporation
17 which, during the 60-month period ending on December 31, 1997,
18 had derived more than 50 percent of its total gross receipts
19 from the processing of citrus products and the manufacture of
20 juices.

21 (ff) "New job has been created" means that the total
22 number of full-time jobs has increased in an enterprise zone
23 from the average of the previous 12 months, as demonstrated to
24 the department by a business located in the enterprise zone.

25 (gg) "Jobs" means full-time positions, as consistent
26 with terms used by the Agency for Workforce Innovation and the
27 United States Department of Labor for purposes of unemployment
28 compensation tax administration and employment estimation
29 resulting directly from business operations in this state.
30 This number may not include temporary construction jobs
31 involved with the construction of facilities or any jobs that

1 have previously been included in any application for tax
2 credits under s. 220.181(1).

3 Section 6. Effective January 1, 2002, subsections (1)
4 and (2) of section 220.181, Florida Statutes, are amended to
5 read:

6 220.181 Enterprise zone jobs credit.--

7 (1)(a) Beginning January ~~July~~ 1, 2002 ~~1995~~, there
8 shall be allowed a credit against the tax imposed by this
9 chapter to any business located in an enterprise zone which
10 demonstrates to the department that the total number of
11 full-time jobs defined under s. 212.096(1)(d) has increased
12 from the average of the previous 12 months. This credit is
13 also available for a business that added a minimum of five new
14 full-time jobs in an enterprise zone between July 1, 2000, and
15 December 31, 2001 ~~employs one or more new employees~~. The
16 credit shall be computed as 20 ~~follows~~:

17 ~~1. Ten~~ percent of the actual monthly wages paid in
18 this state to each new employee hired when a new job has been
19 created, as defined under s. 220.03(1)(ff), unless the
20 business is located in a rural enterprise zone, pursuant to s.
21 290.004(8), in which case the credit shall be 30 percent of
22 the actual monthly wages paid ~~whose wages do not exceed \$1,500~~
23 ~~a month~~. If no less than 20 percent of the employees of the
24 business are residents of an enterprise zone, excluding
25 temporary and part-time employees, the credit shall be
26 computed as 30 ~~15~~ percent of the actual monthly wages paid in
27 this state to each new employee hired when a new job has been
28 created, unless the business is located in a rural enterprise
29 zone, in which case the credit shall be 45 percent of the
30 actual monthly wages paid, for a period of up to 24 ~~12~~
31 consecutive months.

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

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

7 (b) This credit applies only with respect to wages
8 subject to unemployment tax and does not apply for any new
9 employee who is employed for any period less than 3 full
10 months.

11 (c) If this credit is not fully used in any one year,
12 the unused amount may be carried forward for a period not to
13 exceed 5 years. The carryover credit may be used in a
14 subsequent year when the tax imposed by this chapter for such
15 year exceeds the credit for such year after applying the other
16 credits and unused credit carryovers in the order provided in
17 s. 220.02(8).

18 (2) When filing for an enterprise zone jobs credit, a
19 business must file under oath with the governing body or
20 enterprise zone development agency having jurisdiction over
21 the enterprise zone where the business is located, as
22 applicable, a statement which includes:

23 (a) For each new employee for whom this credit is
24 claimed, the employee's name and place of residence during the
25 taxable year, including the identifying number assigned
26 pursuant to s. 290.0065 to the enterprise zone in which the
27 new employee resides if the new employee is a person residing
28 in an enterprise zone, and, if applicable, documentation that
29 the employee is a ~~qualified Job Training Partnership Act~~
30 ~~classroom training participant or a welfare transition program~~
31 ~~participant.~~

1 (b) If applicable, the name and address of each
2 permanent employee of the business, including, for each
3 employee who is a resident of an enterprise zone, the
4 identifying number assigned pursuant to s. 290.0065 to the
5 enterprise zone in which the employee resides.

6 (c) The name and address of the business.

7 (d) The identifying number assigned pursuant to s.
8 290.0065 to the enterprise zone in which the eligible business
9 is located.

10 (e) The salary or hourly wages paid to each new
11 employee claimed.

12 (f) Demonstration to the department that the total
13 number of full-time jobs has increased from the average of the
14 previous 12 months.

15 (g)~~(f)~~ Whether the business is a small business as
16 defined by s. 288.703(1).

17 Section 7. Subsections (1), (2), (3), and (4) of
18 section 220.183, Florida Statutes, are amended to read:

19 220.183 Community contribution tax credit.--

20 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
21 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
22 SPENDING.--

23 (a) There shall be allowed a credit of 50 percent of a
24 community contribution against any tax due for a taxable year
25 under this chapter.

26 (b) No business firm shall receive more than \$200,000
27 in annual tax credits for all approved community contributions
28 made in any one year.

29 (c) The total amount of tax credit which may be
30 granted for all programs approved under this section, s.
31 212.08(5)(q), and s. 624.5105 is ~~\$20~~\$10 million annually.

1 (d) All proposals for the granting of the tax credit
2 shall require the prior approval of the Office of Tourism,
3 Trade, and Economic Development.

4 (e) If the credit granted pursuant to this section is
5 not fully used in any one year because of insufficient tax
6 liability on the part of the business firm, the unused amount
7 may be carried forward for a period not to exceed 5 years. The
8 carryover credit may be used in a subsequent year when the tax
9 imposed by this chapter for such year exceeds the credit for
10 such year under this section after applying the other credits
11 and unused credit carryovers in the order provided in s.
12 220.02(8).

13 (f) A taxpayer who files a Florida consolidated return
14 as a member of an affiliated group pursuant to s. 220.131(1)
15 may be allowed the credit on a consolidated return basis.

16 (g) A taxpayer who is eligible to receive the credit
17 provided for in s. 624.5105 is not eligible to receive the
18 credit provided by this section.

19 (2) ELIGIBILITY REQUIREMENTS.--

20 (a) All community contributions by a business firm
21 shall be in the form specified in s. 220.03(1)(d).

22 (b) All community contributions must be reserved
23 exclusively for use in projects as defined in s. 220.03(1)(t).
24 The Office of Tourism, Trade, and Economic Development may
25 reserve up to 50 percent of the available annual tax credits
26 for housing for very-low-income households pursuant to s.
27 420.9071(28), for the first 6 months of the fiscal year.

28 (c) The project must be undertaken by an "eligible
29 sponsor," defined here as:

- 30 1. A community action program;

31

- 1 2. A nonprofit community-based ~~community~~ development
2 organization whose mission is the provision of housing for
3 low-income or very-low-income households or increasing
4 entrepreneurial and job-development opportunities for
5 low-income persons ~~corporation~~;
- 6 3. A neighborhood housing services corporation;
- 7 4. A local housing authority, created pursuant to
8 chapter 421;
- 9 5. A community redevelopment agency, created pursuant
10 to s. 163.356;
- 11 6. The Florida Industrial Development Corporation;
- 12 7. An historic preservation district agency or
13 organization;
- 14 8. A regional workforce board ~~private industry~~
15 ~~council~~;
- 16 9. A direct-support organization as provided in s.
17 240.551;
- 18 10. An enterprise zone development agency created
19 pursuant to s. 290.0056 ~~s. 290.0057~~; or
- 20 11. A community-based organization incorporated under
21 chapter 617 which is recognized as educational, charitable, or
22 scientific pursuant to s. 501(c)(3) of the Internal Revenue
23 Code and whose by-laws and articles of incorporation include
24 affordable housing, economic development, or community
25 development as the primary mission of the corporation;
- 26 12. Units of local government;
- 27 13. Units of state government; or
- 28 ~~14.11.~~ Such other agency as the Office of Tourism,
29 Trade, and Economic Development may, from time to time,
30 designate by rule.
- 31

1 In no event shall a contributing business firm have a
2 financial interest in the eligible sponsor.

3 (d) The project shall be located in an area designated
4 as an enterprise zone or a Front Porch Florida Community
5 pursuant to s. 14.2015(9)(b)~~pursuant to s. 290.0065~~. Any
6 project designed to construct or rehabilitate housing for
7 low-income or very-low-income households as defined in s.
8 420.9071(19) and (28)~~low-income housing~~ is exempt from the
9 area requirement of this paragraph. This section does not
10 preclude projects that propose to construct or rehabilitate
11 housing for low-income or very-low-income households on
12 scattered sites. Any project designed to provide increased
13 access to high-speed broadband capabilities which includes
14 coverage of a rural enterprise zone may locate the project's
15 infrastructure in any area of a rural county.

16 (3) APPLICATION REQUIREMENTS.--

17 (a) Any eligible sponsor wishing to participate in
18 this program must submit a proposal to the Office of Tourism,
19 Trade, and Economic Development which sets forth the sponsor,
20 the project, the area in which the project is located, and
21 such supporting information as may be prescribed by rule. The
22 proposal shall also contain a resolution from the local
23 governmental unit in which it is located certifying that the
24 project is consistent with local plans and regulations.

25 (b) Any business wishing to participate in this
26 program must submit an application for tax credit to the
27 Office of Tourism, Trade, and Economic Development, which
28 application sets forth the sponsor; the project; and the type,
29 value, and purpose of the contribution. The sponsor shall
30 verify the terms of the application and indicate its receipt
31 of willingness to receive the contribution, ~~which verification~~

1 ~~indicate its willingness to receive the contribution,~~ which
2 verification must ~~shall~~ be in writing and ~~shall~~ accompany the
3 application for tax credit.

4 (c) The business firm must submit a separate
5 application for tax credit for each individual contribution
6 that ~~which~~ it makes ~~proposes to contribute~~ to each individual
7 project.

8 (4) ADMINISTRATION.--

9 (a) The Office of Tourism, Trade, and Economic
10 Development has authority to adopt rules pursuant to ss.
11 120.536(1) and 120.54 to implement the provisions of this
12 section, including rules for the approval or disapproval of
13 proposals by business firms.

14 (b) The decision of the Office of Tourism, Trade, and
15 Economic Development shall be in writing, and, if approved,
16 the notification must ~~proposal shall~~ state the maximum credit
17 allowable to the business firm. A copy of the decision shall
18 be transmitted to the executive director of the Department of
19 Revenue, who shall apply such credit to the tax liability of
20 the business firm.

21 (c) The Office of Tourism, Trade, and Economic
22 Development shall periodically monitor all projects in a
23 manner consistent with available resources to ensure that
24 resources are utilized in accordance with this section;
25 however, each project shall be reviewed no less often than
26 once every 2 years.

27 (d) The Department of Revenue has authority to adopt
28 rules pursuant to ss. 120.536(1) and 120.54 to implement the
29 provisions of this section.

30 (e) The Office of Tourism, Trade, and Economic
31 Development shall, in consultation with the Department of

1 Community Affairs, the Florida Housing Finance Corporation,
2 and the statewide and regional housing and financial
3 intermediaries, market the availability of the community
4 contribution tax credit program to community-based
5 organizations.

6 Section 8. Section 288.018, Florida Statutes, is
7 amended to read:

8 288.018 Regional Rural Development Grants Program.--

9 (1) The Office of Tourism, Trade, and Economic
10 Development shall establish a matching grant program to
11 provide funding to regionally based economic development
12 organizations representing rural counties and communities for
13 the purpose of building the professional capacity of their
14 organizations. The Office of Tourism, Trade, and Economic
15 Development is authorized to approve, on an annual basis,
16 grants to such regionally based economic development
17 organizations. The maximum amount an organization may receive
18 in any year will be \$35,000, or \$100,000 in a rural area of
19 critical economic concern recommended by the Rural Economic
20 Development Initiative and designated by the Governor, and
21 must be matched each year by an equivalent amount of nonstate
22 resources.

23 (2) In approving the participants, the Office of
24 Tourism, Trade, and Economic Development shall consider the
25 demonstrated need of the applicant for assistance and require
26 the following:

27 (a) Documentation of official commitments of support
28 from each of the units of local government represented by the
29 regional organization.

30
31

1 (b) Demonstration that each unit of local government
2 has made a financial or in-kind commitment to the regional
3 organization.

4 (c) Demonstration that the private sector has made
5 financial or in-kind commitments to the regional organization.

6 (d) Demonstration that the organization is in
7 existence and actively involved in economic development
8 activities serving the region.

9 (e) Demonstration of the manner in which the
10 organization is or will coordinate its efforts with those of
11 other local and state organizations.

12 (3) The Office of Tourism, Trade, and Economic
13 Development may also contract for the development of an
14 enterprise zone web portal or web sites for each enterprise
15 zone which will be used to market the program for job creation
16 in disadvantaged urban and rural enterprise zones. Each
17 enterprise zone web page should include downloadable links to
18 state forms and information, as well as local message boards
19 that help businesses and residents receive information
20 concerning zone boundaries, job openings, zone programs, and
21 neighborhood improvement activities.

22 (4)~~(3)~~ The Office of Tourism, Trade, and Economic
23 Development may expend up to \$750,000~~\$600,000~~ each fiscal
24 year from funds appropriated to the Rural Community
25 Development Revolving Loan Fund for the purposes outlined in
26 this section. The Office of Tourism, Trade, and Economic
27 Development may contract with Enterprise Florida, Inc., for
28 the administration of the purposes specified in this section.
29 Funds released to Enterprise Florida, Inc., for this purpose
30 shall be released quarterly and shall be calculated based on
31 the applications in process.

1 Section 9. Section 288.019, Florida Statutes, is
2 created to read:

3 288.019 Rural considerations in grant review and
4 evaluation processes.--Notwithstanding any other law, and to
5 the fullest extent possible, the member agencies and
6 organizations of the Rural Economic Development Initiative
7 (REDI) as defined in s. 288.0656(6)(a) shall review all grant
8 and loan application evaluation criteria to ensure the fullest
9 access for rural counties as defined in s. 288.0656(2)(b) to
10 resources available throughout the state.

11 (1) Each REDI agency and organization shall review all
12 evaluation and scoring procedures and develop modifications to
13 those procedures which minimize the impact of a project within
14 a rural area.

15 (2) Evaluation criteria and scoring procedures must
16 provide for an appropriate ranking based on the proportionate
17 impact that projects have on a rural area when compared with
18 similar project impacts on an urban area.

19 (3) Evaluation criteria and scoring procedures must
20 recognize the disparity of available fiscal resources for an
21 equal level of financial support from an urban county and a
22 rural county.

23 (a) The evaluation criteria should weight contribution
24 in proportion to the amount of funding available at the local
25 level.

26 (b) In-kind match should be allowed and applied as
27 financial match when a county is experiencing financial
28 distress through elevated unemployment at a rate in excess of
29 the state's average by 5 percentage points or because of the
30 loss of its ad valorem base.

31

1 (4) For existing programs, the modified evaluation
2 criteria and scoring procedure must be delivered to the Office
3 of Tourism, Trade, and Economic Development for distribution
4 to the REDI agencies and organizations. The REDI agencies and
5 organizations shall review and make comments. Future rules,
6 programs, evaluation criteria, and scoring processes must be
7 brought before a REDI meeting for review, discussion, and
8 recommendation to allow rural counties fuller access to the
9 state's resources.

10 Section 10. Subsection (2) of section 288.065, Florida
11 Statutes, is amended to read:

12 288.065 Rural Community Development Revolving Loan
13 Fund.--

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

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

11 Section 11. Subsection (6) of section 288.0656,
12 Florida Statutes, is amended to read:

13 288.0656 Rural Economic Development Initiative.--

14 (6)(a) By ~~No later than~~ August 1 of each year, ~~1999~~,
15 the head of each of the following agencies and organizations
16 shall designate a high-level staff person from within the
17 agency or organization to serve as the REDI representative for
18 the agency or organization:

- 19 1. The Department of Community Affairs.
- 20 2. The Department of Transportation.
- 21 3. The Department of Environmental Protection.
- 22 4. The Department of Agriculture and Consumer
23 Services.
- 24 5. The Department of State.
- 25 6. The Department of Health.
- 26 7. The Department of Children and Family Services.
- 27 8. The Department of Corrections.
- 28 9. The Agency for Workforce Innovation ~~Department of~~
29 ~~Labor and Employment Security~~.
- 30 10. The Department of Education.
- 31 11. The Department of Juvenile Justice.

- 1 ~~12.11.~~ The Fish and Wildlife Conservation Commission.
2 ~~13.12.~~ Each water management district.
3 ~~14.13.~~ Enterprise Florida, Inc.
4 15. Workforce Florida, Inc.
5 ~~16.14.~~ The Florida Commission on Tourism or VISIT
6 Florida.
7 ~~17.15.~~ The Florida Regional Planning Council
8 Association.
9 ~~18.16.~~ The Florida State Rural Development Council.
10 ~~19.17.~~ The Institute of Food and Agricultural Sciences
11 (IFAS).
12

13 An alternate for each designee shall also be chosen, and the
14 names of the designees and alternates shall be sent to the
15 director of the Office of Tourism, Trade, and Economic
16 Development.

17 (b) Each REDI representative must have comprehensive
18 knowledge of his or her agency's functions, both regulatory
19 and service in nature, and of the state's economic goals,
20 policies, and programs. This person shall be the primary point
21 of contact for his or her agency with REDI on issues and
22 projects relating to economically distressed rural communities
23 and with regard to expediting project review, shall ensure a
24 prompt effective response to problems arising with regard to
25 rural issues, and shall work closely with the other REDI
26 representatives in the identification of opportunities for
27 preferential awards of program funds and allowances and waiver
28 of program requirements when necessary to encourage and
29 facilitate long-term private capital investment and job
30 creation.
31

1 (c) The REDI representatives shall work with REDI in
2 the review and evaluation of statutes and rules for adverse
3 impact on rural communities and the development of alternative
4 proposals to mitigate that impact.

5 (d) Each REDI representative shall be responsible for
6 ensuring that each district office or facility of his or her
7 agency is informed about the Rural Economic Development
8 Initiative and for providing assistance throughout the agency
9 in the implementation of REDI activities.

10 Section 12. Section 288.1088, Florida Statutes, is
11 amended to read:

12 288.1088 Quick Action Closing Fund.--

13 (1)(a) The Legislature finds that attracting,
14 retaining, and providing favorable conditions for the growth
15 of certain high-impact business facilities, privately
16 developed critical rural infrastructure, or key facilities in
17 economically distressed urban or rural communities which
18 provide ~~provides~~ widespread economic benefits to the public
19 through high-quality employment opportunities in such
20 facilities or ~~and~~ in related facilities attracted to the
21 state, through the increased tax base provided by the
22 high-impact facility and related businesses ~~in related~~
23 ~~sectors~~, through an enhanced entrepreneurial climate in the
24 state and the resulting business and employment opportunities,
25 and through the stimulation and enhancement of the state's
26 universities and community colleges. In the global economy,
27 there exists serious and fierce international competition for
28 these facilities, and in most instances, when all available
29 resources for economic development have been used, the state
30 continues to encounter severe competitive disadvantages in
31 vying for these ~~high-impact~~ business facilities. Florida's

1 rural areas must provide a competitive environment for
2 business in the information age. This often requires an
3 incentive to make it feasible for private investors to provide
4 infrastructure in those areas.

5 (b) The Legislature therefore declares that sufficient
6 resources shall be available to respond to extraordinary
7 economic opportunities and to compete effectively for these
8 high-impact business facilities, critical private
9 infrastructure in rural areas, and key businesses in
10 economically distressed urban or rural communities.

11 (2) There is created within the Office of Tourism,
12 Trade, and Economic Development the Quick Action Closing Fund.

13 (3)(a) Enterprise Florida, Inc., shall evaluate
14 individual proposals for high-impact business facilities and
15 forward recommendations regarding the use of moneys in the
16 fund for such facilities to the director of the Office of
17 Tourism, Trade, and Economic Development. Such evaluation and
18 recommendation must include, but need not be limited to:

19 1. A description of the type of facility or
20 infrastructure, its operations ~~business operation~~, and the
21 associated product or service associated with the facility.

22 2. The number of full-time-equivalent jobs that will
23 be created by the facility and the total estimated average
24 annual wages of those jobs or, in the case of privately
25 developed rural infrastructure, the types of business
26 activities and jobs stimulated by the investment.

27 3. The cumulative amount of investment to be dedicated
28 to the facility within a specified period.

29 4. A statement of any special impacts the facility is
30 expected to stimulate in a particular business sector in the
31

1 state or regional economy or in the state's universities and
2 community colleges.

3 5. A statement of the role the incentive is expected
4 to play in the decision of the applicant business to locate or
5 expand in this state or for the private investor to provide
6 critical rural infrastructure.

7 (b) Upon receipt of the evaluation and recommendation
8 from Enterprise Florida, Inc., the director shall recommend
9 approval or disapproval of a project for receipt of funds from
10 the Quick Action Closing Fund to the Governor. In recommending
11 a project ~~high-impact business facility~~, the director shall
12 include proposed performance conditions that the project
13 ~~facility~~ must meet to obtain incentive funds. The Governor
14 shall consult with the President of the Senate and the Speaker
15 of the House of Representatives before giving final approval
16 for a project. The Executive Office of the Governor shall
17 recommend approval of a project and release of funds pursuant
18 to the legislative consultation and review requirements set
19 forth in s. 216.177. The recommendation must include proposed
20 performance conditions the project must meet to obtain funds.

21 (c) Upon the approval of the Governor, the director of
22 the Office of Tourism, Trade, and Economic Development and the
23 ~~high-impact~~ business shall enter into a contract that sets
24 forth the conditions for payment of moneys from the fund. The
25 contract must include the total amount of funds awarded; the
26 performance conditions that must be met to obtain the award,
27 including, but not limited to, net new employment in the
28 state, average salary, and total capital investment;
29 demonstrate a baseline of current service and a measure of
30 enhanced capability; the methodology for validating

31

1 performance; the schedule of payments from the fund; and
2 sanctions for failure to meet performance conditions.

3 (d) Enterprise Florida, Inc., shall validate
4 contractor performance. Such validation shall be reported
5 within 6 months after completion of the contract to the
6 Governor, President of the Senate, and the Speaker of the
7 House of Representatives.

8 Section 13. Subsection (2) of section 288.9015,
9 Florida Statutes, is amended to read:

10 288.9015 Enterprise Florida, Inc.; purpose; duties.--

11 (2) It shall be the responsibility of Enterprise
12 Florida, Inc., to aggressively market Florida's rural
13 communities,~~and~~ distressed urban communities, and enterprise
14 zones as locations for potential new investment, to
15 aggressively assist in the retention and expansion of existing
16 businesses in these communities, and to aggressively assist
17 these communities in the identification and development of new
18 economic development opportunities for job creation, fully
19 using state incentive programs such as the Qualified Target
20 Industry Tax Refund Program under s. 288.106 and the Quick
21 Action Closing Fund under s. 288.1088 in economically
22 distressed areas.

23 Section 14. Section 290.004, Florida Statutes, is
24 amended to read:

25 290.004 Definitions relating to Florida Enterprise
26 Zone Act.--As used in ss. 290.001-290.016:

27 (1) "Community investment corporation" means a black
28 business investment corporation, a certified development
29 corporation, a small business investment corporation, or other
30 similar entity incorporated under Florida law that has limited
31

1 its investment policy to making investments solely in minority
2 business enterprises.

3 (2) "Department" means the Department of Commerce.

4 (3) "Director" means the director of the Office of
5 Tourism, Trade, and Economic Development.

6 (4) "Governing body" means the council or other
7 legislative body charged with governing the county or
8 municipality.

9 (5) "Interagency coordinating council" means the
10 Enterprise Zone Interagency Coordinating Council created
11 pursuant to s. 290.009.

12 (6) "Minority business enterprise" has the same
13 meaning as in s. 288.703.

14 (7) "Office" means the Office of Tourism, Trade, and
15 Economic Development.

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

24 ~~(9)(8)~~ "Secretary" means the Secretary of Commerce.

25 ~~(10)(9)~~ "Small business" has the same meaning as in s.
26 288.703.

27 Section 15. Enterprise zone designation for Sarasota
28 County or Sarasota County and Sarasota.--Sarasota County, or
29 Sarasota County and the City of Sarasota jointly, may apply to
30 the Office of Tourism, Trade, and Economic Development for
31 designation of one enterprise zone within the county, or

1 within both the county and the municipality, which zone
2 encompasses an area that is south of the north county line,
3 west of Tuttle Avenue, north of 10th Street, and east of U.S.
4 Highway 41. The application must be submitted by December 31,
5 2001, and must comply with the requirements of section
6 290.0055, Florida Statutes. Notwithstanding the provisions of
7 section 290.0065, Florida Statutes, limiting the total number
8 of enterprise zones designated and the number of enterprise
9 zones within a population category, the Office of Tourism,
10 Trade, and Economic Development may designate one enterprise
11 zone under this section. The Office of Tourism, Trade, and
12 Economic Development shall establish the initial effective
13 date of the enterprise zone designated under this section.

14 Section 16. Section 290.00555, Florida Statutes, is
15 amended to read:

16 290.00555 Satellite enterprise zones.--~~Before December~~
17 ~~31, 1999,~~Any municipality an area of which has previously
18 received designation as an enterprise zone in the population
19 category described in s. 290.0065(3)(a)3. may create a
20 satellite enterprise zone not exceeding 1.5 square miles in
21 area outside of and, notwithstanding anything contained in s.
22 290.0055(4), or any other law, in addition to the previously
23 designated enterprise zone boundaries. The Office of Tourism,
24 Trade, and Economic Development shall amend the boundaries of
25 the areas previously designated by any such municipality as
26 enterprise zones upon receipt of a resolution adopted by the
27 municipality describing the satellite enterprise zone areas,
28 as long as the additional areas are consistent with the
29 categories, criteria, and limitations imposed by s. 290.0055.
30 However, the requirements imposed by s. 290.0055(4)(d) do not
31 apply to such satellite enterprise zone areas.

1 Section 17. Satellite enterprise zones may be created
2 pursuant to section 290.00555, Florida Statutes, effective
3 retroactively to December 31, 1999. Resolutions adopted to
4 create satellite enterprise zones under this section must be
5 submitted to the Office of Tourism, Trade, and Economic
6 Development no later than August 1, 2001. The Office of
7 Tourism, Trade, and Economic Development must amend the
8 boundaries of previously designated enterprise zones to create
9 eligible satellite enterprise zones no later than September 1,
10 2001. Notwithstanding the time limitations contained in
11 chapter 212, Florida Statutes, a business in a satellite
12 enterprise zone designated under this section which was
13 eligible to receive tax incentives pursuant to section
14 212.08(5)(g) and (h) and section 212.096, Florida Statutes,
15 during the period beginning December 31, 1999, and ending on
16 the date of the creation of the satellite enterprise zone,
17 must submit an application for the tax incentives by December
18 1, 2001. All other requirements of the enterprise zone program
19 apply to such a business.

20 Section 18. Section 290.0065, Florida Statutes, is
21 amended to read:

22 290.0065 State designation of enterprise zones.--
23 (1) Upon application of the governing body of a county
24 or municipality or of a county and one or more municipalities
25 jointly pursuant to s. 290.0055, Enterprise Florida, Inc., and
26 the office department, in consultation with the interagency
27 coordinating council, shall determine which areas nominated by
28 such governing bodies meet the criteria outlined in s.
29 290.0055 and are the most appropriate for designation as state
30 enterprise zones. The office department is authorized to
31 designate up to 5 areas within each of the categories

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

8 (2) Each application made pursuant to s. 290.0055
9 shall be ranked competitively within the appropriate category
10 established pursuant to subsection (3) based on the pervasive
11 poverty, unemployment, and general distress of the area; the
12 strategic plan, including local fiscal and regulatory
13 incentives, prepared pursuant to s. 290.0057; and the
14 prospects for new investment and economic development in the
15 area. Pervasive poverty, unemployment, and general distress
16 shall be weighted 35 percent; strategic plan and local fiscal
17 and regulatory incentives shall be weighted 40 percent; and
18 prospects for new investment and economic development in the
19 area shall be weighted 25 percent.

20 (3)(a) Each area designated as an enterprise zone
21 pursuant to this section shall be placed in one of the
22 following categories based on the 1990 census:

23 1. Communities consisting of census tracts in areas
24 having a total population of 150,000 persons or more.

25 2. Communities consisting of census tracts in areas
26 having a total population of 50,000 persons or more but less
27 than 150,000 persons.

28 3. Communities having a population of 20,000 persons
29 or more but less than 50,000 persons.

30 4. Communities having a population of 7,500 persons or
31 more but less than 20,000 persons.

1 5. Communities having a population of less than 7,500
2 persons.

3 (b) Any area authorized to be an enterprise zone by
4 both a county and a municipality shall be placed in the
5 appropriate category established under paragraph (a) in which
6 an application by the municipality would have been considered
7 if the municipality had acted alone, if at least 60 percent of
8 the population of the area authorized to be an enterprise zone
9 resides within the municipality. An area authorized to be an
10 enterprise zone by a county and one or more municipalities
11 shall be placed in the category in which an application by the
12 municipality with the highest percentage of residents in such
13 area would have been considered if such municipality had
14 authorized the area to be an enterprise zone. An area
15 authorized to be an enterprise zone by a county as defined by
16 s. 125.011(1) shall be placed in the category in which an
17 application by the municipality in which the area is located
18 would have been considered if the municipality had authorized
19 such area to be an enterprise zone. An area authorized to be
20 an enterprise zone by a county as defined by s. 125.011(1)
21 which area is located in two or more municipalities shall be
22 placed in the category in which an application by the
23 municipality with the highest percentage of residents in such
24 area would have been considered if such municipality had
25 authorized such area to be an enterprise zone.

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

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

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

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 by s. 125.011(1),
19 may not apply for designation of another area.

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

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

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

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

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

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

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

31

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

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

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

16 (8)(a) Notwithstanding s. 290.0055, any area existing
17 as a state enterprise zone as of December 30, 1994, which has
18 received at least \$1 million in state community development
19 funds and at least \$500,000 in federal community development
20 funds, which has less than 300 businesses located within the
21 boundaries of the enterprise zone, and which has been
22 designated by the United States Department of Agriculture as a
23 "Champion Community" shall be redesignated as a state
24 enterprise zone upon the creation of an enterprise zone
25 development agency pursuant to s. 290.0056 and the completion
26 of a strategic plan pursuant to s. 290.0057.

27 (b) Such designation shall be in addition to the
28 limitations of state enterprise zone designation set out in
29 subsection (1).

30 ~~(9) The Office of Tourism, Trade, and Economic~~
31 ~~Development may amend the boundaries of any enterprise zone~~

1 ~~designated by the state pursuant to this section, consistent~~
2 ~~with the categories, criteria, and limitations imposed in this~~
3 ~~section upon the establishment of such enterprise zone and~~
4 ~~only if consistent with the determinations made in s.~~
5 ~~290.0058(2).~~

6 (9)~~(10)~~ Before December 31, 1998, the governing body
7 of a county in which an enterprise zone designated pursuant to
8 paragraph (5)(b) is located may apply to the Office of
9 Tourism, Trade, and Economic Development to amend the
10 boundaries of the enterprise zone for the purpose of replacing
11 areas not suitable for development. The Office of Tourism,
12 Trade, and Economic Development shall approve the application
13 if it does not increase the overall size of the enterprise
14 zone. Except that upon the request of the governing body of a
15 home rule charter county, or any county the government of
16 which has been consolidated with the government of one or more
17 municipalities in accordance with s. 9, Art. VIII of the State
18 Constitution of 1885, as preserved by s. 6(e), Art. VIII of
19 the State Constitution as revised in 1968 and subsequently
20 amended, the Office of Tourism, Trade, and Economic
21 Development may amend the boundaries of an area designated as
22 an enterprise zone upon the receipt of a resolution adopted by
23 such governing body describing the amended boundaries, so long
24 as the added area does not increase the overall size of the
25 expanded zone more than its original size or 20 square miles,
26 whichever is larger, and is consistent with the categories,
27 criteria, and limitations imposed by s. 290.0055.

28 (10)~~(11)~~ Before December 31, 1999, any county as
29 defined in s. 125.011(1) may create a satellite enterprise
30 zone not exceeding 3 square miles in area outside of and,
31 notwithstanding anything contained in s. 290.0055(4) or

1 elsewhere, in addition to the previously designated 20 square
2 miles of enterprise zones. The Office of Tourism, Trade, and
3 Economic Development shall amend the boundaries of the areas
4 previously designated by any such county as enterprise zones
5 upon the receipt of a resolution adopted by such governing
6 body describing the satellite enterprise zone, as long as the
7 additional area is consistent with the categories, criteria,
8 and limitations imposed by s. 290.0055, provided that the
9 20-square-mile limitation and the requirements imposed by s.
10 290.0055(4)(d) do not apply to such satellite enterprise zone.

11 Section 19. Section 290.00676, Florida Statutes, is
12 created to read:

13 290.00676 Amendment of rural enterprise zone
14 boundaries.--Notwithstanding any other law, upon
15 recommendation by Enterprise Florida, Inc., the Office of
16 Tourism, Trade, and Economic Development may approve requests
17 to amend the boundaries of rural enterprise zones as defined
18 in s. 290.004(8). Boundary amendments authorized by this
19 section are subject to the following requirements:

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

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

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

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

3 Section 20. Section 290.00677, Florida Statutes, is
4 created to read:

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

7 (1) Notwithstanding the enterprise zone residency
8 requirements set out in s. 212.096(1)(c), eligible businesses
9 as defined by s. 212.096(1)(a), located in rural enterprise
10 zones as defined by s. 290.004, may receive the basic minimum
11 credit provided under s. 212.096 for creating a new job and
12 hiring a person residing within the jurisdiction of a rural
13 county, as defined by s. 288.106(1)(r). All other provisions
14 of s. 212.096, including, but not limited to, those relating
15 to the award of enhanced credits, apply to such businesses.

16 (2) Notwithstanding the enterprise zone residency
17 requirements set out in s. 220.03(1)(q), eligible businesses
18 as defined by s. 212.096(1)(a), located in rural enterprise
19 zones as defined in s. 290.004, may receive the basic minimum
20 credit provided under s. 220.181 for creating a new job and
21 hiring a person residing within the jurisdiction of a rural
22 county, as defined by s. 288.106(1)(r). All other provisions
23 of s. 220.181, including, but not limited to, those relating
24 to the award of enhanced credits apply to such businesses.

25 Section 21. Section 290.00694, Florida Statutes, is
26 created to read:

27 290.00694 Enterprise zone designation for rural
28 communities.--An area designated as a rural champion community
29 under the Taxpayer Relief Act of 1997 or a community within a
30 designated rural area of critical economic concern under s.
31 288.0656 may submit an application to Enterprise Florida,

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

14 Section 22. Subsection (3) of section 290.007, Florida
15 Statutes, is amended to read:

16 290.007 State incentives available in enterprise
17 zones.--The following incentives are provided by the state to
18 encourage the revitalization of enterprise zones:

19 (3) The community contribution tax credits provided in
20 ss. 212.08, 220.183, and 624.5105.

21 Section 23. Subsection (7) is added to section
22 290.048, Florida Statutes, to read:

23 290.048 General powers of Department of Community
24 Affairs under ss. 290.0401-290.049.--The department has all
25 the powers necessary or appropriate to carry out the purposes
26 and provisions of the program, including the power to:

27 (7) Establish advisory committees and solicit
28 participation in designing, administering, and evaluating the
29 program and in linking the program with other housing and
30 community development resources.

31

1 Section 24. Section 290.049, Florida Statutes, is
2 repealed.

3 Section 25. Subsection (4) of section 370.28, Florida
4 Statutes, is repealed.

5 Section 26. Subsection (39) is added to section
6 420.507, Florida Statutes, to read:

7 420.507 Powers of the corporation.--The corporation
8 shall have all the powers necessary or convenient to carry out
9 and effectuate the purposes and provisions of this part,
10 including the following powers which are in addition to all
11 other powers granted by other provisions of this part:

12 (39) To create recognition programs to honor
13 individuals, community-based development organizations, units
14 of local government, or others who have demonstrated the
15 ideals of community stewardship and increased access to
16 housing for low-income households, including economically
17 distressed areas. Such programs may incorporate certificates
18 of recognition by the Governor and may include presentation by
19 the Governor or his representative.

20 Section 27. Subsections (1), (2), (4), and (5) of
21 section 624.5105, Florida Statutes, are amended to read:

22 624.5105 Community contribution tax credit;
23 authorization; limitations; eligibility and application
24 requirements; administration; definitions; expiration.--

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

26 (a) There shall be allowed a credit of 50 percent of a
27 community contribution against any tax due for a calendar year
28 under s. 624.509 or s. 624.510.

29 (b) No insurer shall receive more than \$200,000 in
30 annual tax credits for all approved community contributions
31 made in any one year.

1 (c) The total amount of tax credit which may be
2 granted for all programs approved under this section, s.
3 212.08(5)(g), and s. 220.183 is ~~\$20~~\$10 million annually.

4 (d) Each proposal for the granting of such tax credit
5 requires the prior approval of the director.

6 (e) If the credit granted pursuant to this section is
7 not fully used in any one year because of insufficient tax
8 liability on the part of the insurer, the unused amount may be
9 carried forward for a period not to exceed 5 years. The
10 carryover credit may be used in a subsequent year when the tax
11 imposed by s. 624.509 or s. 624.510 for such year exceeds the
12 credit under this section for such year.

13 (2) ELIGIBILITY REQUIREMENTS.--

14 (a) Each community contribution by an insurer must be
15 in a form specified in subsection (5).

16 (b) Each community contribution must be reserved
17 exclusively for use in a project as defined in s.
18 220.03(1)(t).

19 (c) The project must be undertaken by an "eligible
20 sponsor," as which term is defined in s. 220.183(2)(c). ~~as~~

- 21 ~~1. A community action program;~~
- 22 ~~2. A community development corporation;~~
- 23 ~~3. A neighborhood housing services corporation;~~
- 24 ~~4. A local housing authority created pursuant to~~
25 ~~chapter 421;~~
- 26 ~~5. A community redevelopment agency created pursuant~~
27 ~~to s. 163.356;~~
- 28 ~~6. The Florida Industrial Development Corporation;~~
- 29 ~~7. A historic preservation district agency or~~
30 ~~organization;~~
- 31 ~~8. A private industry council;~~

1 ~~9. An enterprise zone development agency created~~
2 ~~pursuant to s. 290.0057; or~~

3 ~~10. Such other agency as the director may, from time~~
4 ~~to time, designate by rule.~~

5
6 In no event shall a contributing insurer have a financial
7 interest in the eligible sponsor.

8 (d) The project shall be located in an area designated
9 as an enterprise zone or a Front Porch Community pursuant to
10 s. 14.2015(9)(b)~~s. 290.0065~~. Any project designed to
11 construct or rehabilitate housing for low-income or
12 very-low-income households as defined in s. 420.9071(19) and
13 ~~(28) low-income housing~~ is exempt from the area requirement of
14 this paragraph.

15 (4) ADMINISTRATION.--

16 (a)1. The Office of Tourism, Trade, and Economic
17 Development is authorized to adopt all rules necessary to
18 administer this section, including rules for the approval or
19 disapproval of proposals by insurers.

20 2. The decision of the director shall be in writing,
21 and, if approved, the proposal shall state the maximum credit
22 allowable to the insurer. A copy of the decision shall be
23 transmitted to the executive director of the Department of
24 Revenue, who shall apply such credit to the tax liability of
25 the insurer.

26 3. The office shall monitor all projects periodically,
27 in a manner consistent with available resources to ensure that
28 resources are utilized in accordance with this section;
29 however, each project shall be reviewed no less frequently
30 than once every 2 years.

31

1 4. The Office of Tourism, Trade, and Economic
2 Development shall, in consultation with the Department of
3 Community Affairs, the Florida Housing Finance Corporation,
4 and the statewide and regional housing and financial
5 intermediaries, market the availability of the community
6 contribution tax credit program to community-based
7 organizations.

8 (b) The Department of Revenue shall adopt any rules
9 necessary to ensure the orderly implementation and
10 administration of this section.

11 (5) DEFINITIONS.--For the purpose of this section:

12 (a) "Community contribution" means the grant by an
13 insurer of any of the following items:

14 1. Cash or other liquid assets.

15 2. Real property.

16 3. Goods or inventory.

17 4. Other physical resources which are identified by
18 the department.

19 (b) "Director" means the director of the Office of
20 Tourism, Trade, and Economic Development.

21 (c) "Local government" means any county or
22 incorporated municipality in the state.

23 (d) "Office" means the Office of Tourism, Trade, and
24 Economic Development.

25 (e) "Project" means an activity as defined in s.
26 220.03(1)(t) or the provision of educational programs and
27 materials by an eligible sponsor.~~any activity undertaken by~~
28 ~~an eligible sponsor, as defined in subsection (2), which is~~
29 ~~designed to construct, improve, or substantially rehabilitate~~
30 ~~housing or commercial, industrial, or public resources and~~

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1 ~~facilities or to improve entrepreneurial and job-development~~
2 ~~opportunities for low-income persons.~~

3 Section 28. Except as otherwise expressly provided in
4 this act, 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 460

4 Through its primary changes, the committee substitute:

5 -- Extends the community contribution tax credit provisions
6 of the Enterprise Zone Program to the state sales tax,
7 building upon the current community contribution tax
8 credit provisions in the corporate income tax under ch.
9 220, F.S., and the insurance premium tax under ch. 624,
10 F.S.

11 -- Modifies the community contribution tax program by
12 updating, clarifying, and expanding its current housing
13 role, as well as by adding certain broadband width
14 investments to the "eligible project" list and adding
15 educational programs and materials for a particular
16 museum project to the eligible project list.

17 -- Increases the total amount of tax credits that may be
18 granted for all community contribution tax credits,
19 including sales tax, corporate income tax, and insurance
20 premium tax, from \$10 million annually to \$20 million,
21 and allows a community with Front Porch Florida
22 designation to use the community contribution tax
23 credits.

24 -- Revises the tax exemption for building materials used in
25 the rehabilitation of real property located in an
26 enterprise zone to allow a refund applicant to submit
27 the application within 90 days after rehabilitated
28 property is first subject to assessment; and to add
29 nonprofit community-based organizations to the building
30 materials sales tax exemption created for governmental
31 organizations and to add the State Housing Initiatives
Partnership Program to the sources of funds with which
the building materials can be purchased.

-- Clarifies the provision for business property used in an
enterprise zone by providing that an application for a
refund must be submitted to the Department of Revenue
within 6 months after the tax is due on the business
property that is purchased, and creates a minimum sales
price of \$500 per unit on property to be claimed for the
tax refund.

-- Provides an incentive for part-time workers to be
upgraded to full-time if a new full-time job is created,
for purposes of the enterprise zone jobs tax credit.

-- Allows leased employees from an employee leasing company
to be considered new employees for the jobs tax credit
provided they are employed for an average of at least 36
hours per week for more than 6 months.

-- Defines "new job has been created" for purposes of the
jobs tax credit.

31 -- Recreates a prior incentive to hire welfare transition

- 1 program participants in the job tax credit program and
2 provides an additional incentive for higher wages.
- 3 -- Eliminates the multi-tier system in the rural job tax
4 credit program; allows the credit to be used for smaller
5 employers who may have increased the number of employees
6 by 20 percent in comparison to prior years but not by 10
7 employees as required in current law; and allows leased
8 employees from an employee leasing company to be
9 considered new employees for the rural job tax credit.
- 10 -- Allows federal rural enterprise communities to access
11 the Rural Community Development Revolving Loan Fund
12 Program.
- 13 -- Amends the Rural Economic Development Initiative (REDI)
14 to require agencies to annually designate a high-level
15 staff person to serve as the REDI representative and to
16 update the REDI list of agencies to include the Agency
17 for Workforce Innovation, Workforce Florida, Inc., and
18 the Department of Juvenile Justice.
- 19 -- Amends the Quick Action Closing Fund by authorizing the
20 fund to be used in distressed rural and urban
21 communities to allow for "privately developed critical
22 rural infrastructure, or key facilities in economically
23 distressed urban or rural communities"; expands fund
24 criteria to allow for privately developed infrastructure
25 that can be evaluated by the types of business
26 activities and jobs that are stimulated by the
27 investment.
- 28 -- Clarifies the responsibilities of Enterprise Florida,
29 Inc., to aggressively market Florida's rural communities
30 and distressed urban communities by adding specific
31 mention of the need to market enterprise zones and to
fully utilize state incentive programs such as the
Qualified Target Industry Tax Refund Program and the
Quick Action Closing Fund in distressed areas.
- Revises the statute related to satellite enterprise
zones, deleting the specific date by which an eligible
municipality must create a satellite enterprise zone.
- Allows businesses in any newly created satellite zone to
receive retroactively a refund of certain sales taxes
paid back to December 31, 1999, from the date the
satellite zone is approved.
- Authorizes the Department of Community Affairs to merge
various advisory councils into one advisory committee to
provide a more comprehensive approach to addressing
community needs and allowing for a broad and more
diversified membership.
- Repeals a subsection of the statutes related to the
net-ban limitation enterprise zones which established
conditions for use of incentives in net-ban zones, to
conform with other sections of this committee substitute
that define net-ban zones as rural zones and establish
new conditions applicable to incentives for rural zones.