

By the Committees on Finance and Taxation; Commerce and Economic Opportunities; and Senators Clary, Smith and Mitchell

314-1908-01

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; amending s. 288.018, F.S.;

2 revising administration and uses of the

3 Regional Rural Development Grants Program;

4 creating s. 288.019, F.S.; providing for a

5 review and evaluation process of rural grants

6 by Rural Economic Development Initiative

7 agencies; amending s. 288.065, F.S.; expanding

8 the scope of the Rural Community Revolving Loan

9 Fund Program; amending s. 288.0656, F.S.;

10 revising the membership of the Rural Economic

11 Development Initiative; requiring an annual

12 designation of staff representatives; amending

13 s. 288.1088, F.S.; expanding eligible uses of

14 the Quick Action Closing Fund; amending s.

15 288.9015, F.S.; revising the duties of

16 Enterprise Florida, Inc.; amending s. 290.004,

17 F.S.; defining the term "rural enterprise

18 zone"; authorizing the Office of Tourism,

19 Trade, and Economic Development to designate an

20 enterprise zone in Sarasota County; providing

21 requirements with respect thereto; amending s.

22 290.00555, F.S.; removing the December 31,

23 1999, deadline for creation of satellite

24 enterprise zones by certain municipalities and

25 authorizing creation of such zones effective

26 retroactively to that date; providing duties of

27 the Office of Tourism, Trade, and Economic

28 Development; providing an application deadline

29 for businesses in such zones eligible for

30 certain sales and use tax incentives; amending

31 s. 290.0065, F.S.; providing for certain rural

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

1 370.28(4), F.S., which provides conditions for
2 tax incentives in enterprise zone net-ban
3 communities; amending s. 380.06, F.S.;
4 providing for guidelines and standards for an
5 area designated by the Governor as a rural area
6 of critical economic concern; deleting a
7 requirement that the Administration Commission
8 adopt certain guidelines and standards by rule;
9 amending s. 420.503, F.S.; redefining the terms
10 "elderly" and "housing for the elderly" under
11 the Florida Housing Finance Act; amending s.
12 420.507, F.S.; authorizing the Florida Housing
13 Finance Corporation to create a recognition
14 program to support affordable housing; amending
15 s. 420.5088, F.S.; revising authority and
16 eligibility criteria for certain loans made by
17 the corporation under the Florida Homeownership
18 Assistance Program; amending s. 420.5092, F.S.;
19 increasing the amount of revenue bonds that may
20 be issued under the Florida Affordable Housing
21 Guarantee Program; amending s. 624.5105, F.S.;
22 conforming definitions; revising eligibility
23 and administrative requirements; amending s.
24 125.0103, F.S.; providing that a local
25 government may enact an ordinance for the
26 purpose of increasing the supply of affordable
27 housing using land use mechanisms; amending s.
28 166.043, F.S.; providing that a local
29 government may enact an ordinance for the
30 purpose of increasing the supply of affordable
31 housing using land use mechanisms; amending s.

1 336.025, F.S.; allowing an additional use for
2 local option fuel tax proceeds; providing
3 effective dates.

4
5 Be It Enacted by the Legislature of the State of Florida:

6
7 Section 1. Paragraphs (g) and (h) of subsection (5) of
8 section 212.08, Florida Statutes, are amended, and paragraph
9 (q) is added to that subsection, to read:

10 212.08 Sales, rental, use, consumption, distribution,
11 and storage tax; specified exemptions.--The sale at retail,
12 the rental, the use, the consumption, the distribution, and
13 the storage to be used or consumed in this state of the
14 following are hereby specifically exempt from the tax imposed
15 by this chapter.

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

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

19 1. Beginning July 1, 1995, building materials used in
20 the rehabilitation of real property located in an enterprise
21 zone shall be exempt from the tax imposed by this chapter upon
22 an affirmative showing to the satisfaction of the department
23 that the items have been used for the rehabilitation of real
24 property located in an enterprise zone. Except as provided in
25 subparagraph 2., this exemption inures to the owner, lessee,
26 or lessor of the rehabilitated real property located in an
27 enterprise zone only through a refund of previously paid
28 taxes. To receive a refund pursuant to this paragraph, the
29 owner, lessee, or lessor of the rehabilitated real property
30 located in an enterprise zone must file an application under
31 oath with the governing body or enterprise zone development

1 agency having jurisdiction over the enterprise zone where the
2 business is located, as applicable, which includes:
3 a. The name and address of the person claiming the
4 refund.
5 b. An address and assessment roll parcel number of the
6 rehabilitated real property in an enterprise zone for which a
7 refund of previously paid taxes is being sought.
8 c. A description of the improvements made to
9 accomplish the rehabilitation of the real property.
10 d. A copy of the building permit issued for the
11 rehabilitation of the real property.
12 e. A sworn statement, under the penalty of perjury,
13 from the general contractor licensed in this state with whom
14 the applicant contracted to make the improvements necessary to
15 accomplish the rehabilitation of the real property, which
16 statement lists the building materials used in the
17 rehabilitation of the real property, the actual cost of the
18 building materials, and the amount of sales tax paid in this
19 state on the building materials. In the event that a general
20 contractor has not been used, the applicant shall provide this
21 information in a sworn statement, under the penalty of
22 perjury. Copies of the invoices which evidence the purchase of
23 the building materials used in such rehabilitation and the
24 payment of sales tax on the building materials shall be
25 attached to the sworn statement provided by the general
26 contractor or by the applicant. Unless the actual cost of
27 building materials used in the rehabilitation of real property
28 and the payment of sales taxes due thereon is documented by a
29 general contractor or by the applicant in this manner, the
30 cost of such building materials shall be an amount equal to 40
31

1 percent of the increase in assessed value for ad valorem tax
2 purposes.

3 f. The identifying number assigned pursuant to s.
4 290.0065 to the enterprise zone in which the rehabilitated
5 real property is located.

6 g. A certification by the local building code
7 inspector that the improvements necessary to accomplish the
8 rehabilitation of the real property are substantially
9 completed.

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

12 i. If applicable, the name and address of each
13 permanent employee of the business, including, for each
14 employee who is a resident of an enterprise zone, the
15 identifying number assigned pursuant to s. 290.0065 to the
16 enterprise zone in which the employee resides.

17 2. This exemption inures to a city, county, ~~or~~ other
18 governmental agency, or nonprofit community-based organization
19 through a refund of previously paid taxes if the building
20 materials used in the rehabilitation of real property located
21 in an enterprise zone are paid for from the funds of a
22 community development block grant, State Housing Initiatives
23 Partnership Program, or similar grant or loan program. To
24 receive a refund pursuant to this paragraph, a city, county,
25 ~~or~~ other governmental agency, or nonprofit community-based
26 organization must file an application which includes the same
27 information required to be provided in subparagraph 1. by an
28 owner, lessee, or lessor of rehabilitated real property. In
29 addition, the application must include a sworn statement
30 signed by the chief executive officer of the city, county, ~~or~~
31 other governmental agency, or nonprofit community-based

1 organization seeking a refund which states that the building
2 materials for which a refund is sought were paid for from the
3 funds of a community development block grant, State Housing
4 Initiatives Partnership Program, or similar grant or loan
5 program.

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

23 4. An application for a refund pursuant to this
24 paragraph must be submitted to the department within 6 months
25 after the rehabilitation of the property is deemed to be
26 substantially completed by the local building code inspector
27 or within 90 days after the rehabilitated property is first
28 subject to assessment.

29 5. The provisions of s. 212.095 do not apply to any
30 refund application made pursuant to this paragraph. No more
31 than one exemption through a refund of previously paid taxes

1 for the rehabilitation of real property shall be permitted for
2 any one parcel of real property. No refund shall be granted
3 pursuant to this paragraph unless the amount to be refunded
4 exceeds \$500. No refund granted pursuant to this paragraph
5 shall exceed the lesser of 97 percent of the Florida sales or
6 use tax paid on the cost of the building materials used in the
7 rehabilitation of the real property as determined pursuant to
8 sub-subparagraph 1.e. or \$5,000, or, if no less than 20
9 percent of the employees of the business are residents of an
10 enterprise zone, excluding temporary and part-time employees,
11 the amount of refund granted pursuant to this paragraph shall
12 not exceed the lesser of 97 percent of the sales tax paid on
13 the cost of such building materials or \$10,000. A refund
14 approved pursuant to this paragraph shall be made within 30
15 days of formal approval by the department of the application
16 for the refund.

17 6. The department shall adopt rules governing the
18 manner and form of refund applications and may establish
19 guidelines as to the requisites for an affirmative showing of
20 qualification for exemption under this paragraph.

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

28 8. For the purposes of the exemption provided in this
29 paragraph:

30
31

1 a. "Building materials" means tangible personal
2 property which becomes a component part of improvements to
3 real property.

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

6 c. "Rehabilitation of real property" means the
7 reconstruction, renovation, restoration, rehabilitation,
8 construction, or expansion of improvements to real property.

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

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

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

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

22 2. To receive a refund, the business must file under
23 oath with the governing body or enterprise zone development
24 agency having jurisdiction over the enterprise zone where the
25 business is located, as applicable, an application which
26 includes:

27 a. The name and address of the business claiming the
28 refund.

29 b. The identifying number assigned pursuant to s.
30 290.0065 to the enterprise zone in which the business is
31 located.

1 c. A specific description of the property for which a
2 refund is sought, including its serial number or other
3 permanent identification number.

4 d. The location of the property.

5 e. The sales invoice or other proof of purchase of the
6 property, showing the amount of sales tax paid, the date of
7 purchase, and the name and address of the sales tax dealer
8 from whom the property was purchased.

9 f. Whether the business is a small business as defined
10 by s. 288.703(1).

11 g. If applicable, the name and address of each
12 permanent employee of the business, including, for each
13 employee who is a resident of an enterprise zone, the
14 identifying number assigned pursuant to s. 290.0065 to the
15 enterprise zone in which the employee resides.

16 3. Within 10 working days after receipt of an
17 application, the governing body or enterprise zone development
18 agency shall review the application to determine if it
19 contains all the information required pursuant to subparagraph
20 2. and meets the criteria set out in this paragraph. The
21 governing body or agency shall certify all applications that
22 contain the information required pursuant to subparagraph 2.
23 and meet the criteria set out in this paragraph as eligible to
24 receive a refund. If applicable, the governing body or agency
25 shall also certify if 20 percent of the employees of the
26 business are residents of an enterprise zone, excluding
27 temporary and part-time employees. The certification shall be
28 in writing, and a copy of the certification shall be
29 transmitted to the executive director of the Department of
30 Revenue. The business shall be responsible for forwarding a
31

1 certified application to the department within the time
2 specified in subparagraph 4.

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

7 5. The provisions of s. 212.095 do not apply to any
8 refund application made pursuant to this paragraph. The amount
9 refunded on purchases of business property under this
10 paragraph shall be the lesser of 97 percent of the sales tax
11 paid on such business property or \$5,000, or, if no less than
12 20 percent of the employees of the business are residents of
13 an enterprise zone, excluding temporary and part-time
14 employees, the amount refunded on purchases of business
15 property under this paragraph shall be the lesser of 97
16 percent of the sales tax paid on such business property or
17 \$10,000. A refund approved pursuant to this paragraph shall be
18 made within 30 days of formal approval by the department of
19 the application for the refund. No refund shall be granted
20 under this paragraph unless the amount to be refunded exceeds
21 \$100 in sales tax paid on purchases made within a 60-day time
22 period.

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

27 7. If the department determines that the business
28 property is used outside an enterprise zone within 3 years
29 from the date of purchase, the amount of taxes refunded to the
30 business purchasing such business property shall immediately
31 be due and payable to the department by the business, together

1 with the appropriate interest and penalty, computed from the
2 date of purchase, in the manner provided by this chapter.
3 Notwithstanding this subparagraph, business property used
4 exclusively in:

- 5 a. Licensed commercial fishing vessels,
- 6 b. Fishing guide boats, or
- 7 c. Ecotourism guide boats

8
9 that leave and return to a fixed location within an area
10 designated under s. 370.28 are eligible for the exemption
11 provided under this paragraph if all requirements of this
12 paragraph are met. Such vessels and boats must be owned by a
13 business that is eligible to receive the exemption provided
14 under this paragraph. This exemption does not apply to the
15 purchase of a vessel or boat.

16 8. The department shall deduct an amount equal to 10
17 percent of each refund granted under the provisions of this
18 paragraph from the amount transferred into the Local
19 Government Half-cent Sales Tax Clearing Trust Fund pursuant to
20 s. 212.20 for the county area in which the business property
21 is located and shall transfer that amount to the General
22 Revenue Fund.

23 9. For the purposes of this exemption, "business
24 property" means new or used property defined as "recovery
25 property" in s. 168(c) of the Internal Revenue Code of 1954,
26 as amended, except:

- 27 a. Property classified as 3-year property under s.
28 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;
- 29 b. Industrial machinery and equipment as defined in
30 sub-subparagraph (b)6.a. and eligible for exemption under
31 paragraph (b); ~~and~~

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

3 d. Business property having a sales price of under
4 \$5,000 per unit.

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

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

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

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

15 b. The credit shall be granted as a refund against
16 state sales and use taxes reported on returns and remitted in
17 the 12 months preceding the date of application to the
18 department for the credit as required in sub-subparagraph 3.c.
19 If the annual credit is not fully used through such refund
20 because of insufficient tax payments during the applicable
21 12-month period, the unused amount may be included in an
22 application for a refund made pursuant to sub-subparagraph
23 3.c. in subsequent years against the total tax payments made
24 for such year. Carryover credits may be applied for a 3-year
25 period without regard to any time limitation that would
26 otherwise apply under s. 215.26;

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

30
31

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. The total amount of tax credits which may be
5 granted for all programs approved under this paragraph, s.
6 220.183, and s. 624.5105 is \$10 million annually; and

7 f. A person who is eligible to receive the credit
8 provided for in this paragraph, s. 220.183, or s. 624.5105 may
9 receive the credit only under the one section of the person's
10 choice.

11 2. Eligibility requirements.--

12 a. A community contribution by a person must be in the
13 following form:

14 (I) Cash or other liquid assets;

15 (II) Real property;

16 (III) Goods or inventory; or

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

19 b. All community contributions must be reserved
20 exclusively for use in a project. As used in this
21 sub-subparagraph, the term "project" means any activity
22 undertaken by an eligible sponsor which is designed to
23 construct, improve, or substantially rehabilitate housing that
24 is affordable to low-income or very-low-income households as
25 defined in s. 420.9071(19) and (28); designed to provide
26 commercial, industrial, or public resources and facilities; or
27 designed to improve entrepreneurial and job-development
28 opportunities for low-income persons. A project may be the
29 investment necessary to increase access to high-speed
30 broadband capability in rural communities with enterprise
31 zones, including projects that result in improvements to

1 communications assets that are owned by a business. A project
2 may include the provision of museum educational programs and
3 materials that are directly related to any project approved
4 between January 1, 1996, and December 31, 1999, and located in
5 an enterprise zone as referenced in s. 290.00675. This
6 paragraph does not preclude projects that propose to construct
7 or rehabilitate housing for low-income or very-low-income
8 households on scattered sites. The Office of Tourism, Trade,
9 and Economic Development may reserve up to 50 percent of the
10 available annual tax credits for housing for very-low-income
11 households pursuant to s. 420.9071(28) for the first 6 months
12 of the fiscal year. With respect to housing, contributions may
13 be used to pay the following eligible low-income and
14 very-low-income housing-related activities:

15 (I) Project development impact and management fees for
16 low-income or very-low-income housing projects;

17 (II) Down payment and closing costs for eligible
18 persons, as defined in s. 420.9071(19) and (28);

19 (III) Administrative costs, including housing
20 counseling and marketing fees, not to exceed 10 percent of the
21 community contribution, directly related to low-income or
22 very-low-income projects; and

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

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

- 1 (I) A community action program;
2 (II) A nonprofit community-based development
3 organization whose mission is the provision of housing for
4 low-income or very-low-income households or increasing
5 entrepreneurial and job-development opportunities for
6 low-income persons;
7 (III) A neighborhood housing services corporation;
8 (IV) A local housing authority created under chapter
9 421;
10 (V) A community redevelopment agency created under s.
11 163.356;
12 (VI) The Florida Industrial Development Corporation;
13 (VII) An historic preservation district agency or
14 organization;
15 (VIII) A regional workforce board;
16 (IX) A direct-support organization as provided in s.
17 240.551;
18 (X) An enterprise zone development agency created
19 under s. 290.0056;
20 (XI) 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 (XII) Units of local government;
27 (XIII) Units of state government; or
28 (XIV) Any other agency that the Office of Tourism,
29 Trade, and Economic Development designates by rule.
30
31

1 In no event may a contributing person have a financial
2 interest in the eligible sponsor.

3 d. The project must be located in an area designated
4 an enterprise zone or a Front Porch Florida community pursuant
5 to s. 14.2015(9)(b), unless the project increases access to
6 high-speed broadband capability for rural communities with
7 enterprise zones but is physically located outside the
8 designated rural zone boundaries. Any project designed to
9 construct or rehabilitate housing for low-income or
10 very-low-income households as defined in s. 420.0971(19) and
11 (28) is exempt from the area requirement of this
12 sub-subparagraph.

13 3. Application requirements.--

14 a. Any eligible sponsor seeking to participate in this
15 program must submit a proposal to the Office of Tourism,
16 Trade, and Economic Development which sets forth the name of
17 the sponsor, a description of the project and the area in
18 which the project is located, together with such supporting
19 information as is prescribed by rule. The proposal must also
20 contain a resolution from the local governmental unit in which
21 the project is located certifying that the project is
22 consistent with local plans and regulations.

23 b. Any person seeking to participate in this program
24 must submit an application for tax credit to the Office of
25 Tourism, Trade, and Economic Development which sets forth the
26 name of the sponsor, a description of the project, and the
27 type, value, and purpose of the contribution. The sponsor
28 shall verify the terms of the application and indicate its
29 receipt of the contribution, which verification must be in
30 writing and accompany the application for tax credit. The
31 person must submit a separate tax credit application to the

1 office for each individual contribution that it makes to each
2 individual project.

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

11 4. Administration.--

12 a. The Office of Tourism, Trade, and Economic
13 Development may adopt rules pursuant to ss. 120.536(1) and
14 120.54 necessary to administer this paragraph, including rules
15 for the approval or disapproval of proposals by a person.

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

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 used in accordance with this paragraph; however,
25 each project must be reviewed at least once every 2 years.

26 d. The Office of Tourism, Trade, and Economic
27 Development shall, in consultation with the Department of
28 Community Affairs, the Florida Housing Finance Corporation,
29 and the statewide and regional housing and financial
30 intermediaries, market the availability of the community

31

1 contribution tax credit program to community-based
2 organizations.

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

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

9 212.096 Sales, rental, storage, use tax; enterprise
10 zone jobs credit against sales tax.--

11 (1) For the purposes of the credit provided in this
12 section:

13 (a) "Eligible business" means any sole proprietorship,
14 firm, partnership, corporation, bank, savings association,
15 estate, trust, business trust, receiver, syndicate, or other
16 group or combination, or successor business, located in an
17 enterprise zone. The business must demonstrate to the
18 department that the total number of full-time jobs defined
19 under paragraph (d) has increased from the average of the
20 previous 12 months. The term "eligible business" includes a
21 business that added a minimum of five new full-time jobs in an
22 enterprise zone between July 1, 2000, and December 31, 2001.

23 An eligible business does not include any business which has
24 claimed the credit permitted under s. 220.181 for any new
25 business employee first beginning employment with the business
26 after July 1, 1995.

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

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

9 (d) "Jobs" means full-time positions, as consistent
10 with terms used by the Agency for Workforce Innovation and the
11 United States Department of Labor for purposes of unemployment
12 compensation tax administration and employment estimation
13 resulting directly from a business operation in this state.
14 This number may not include temporary construction jobs
15 involved with the construction of facilities or any jobs that
16 have previously been included in any application for tax
17 credits under s. 220.181(1). The term "jobs" also includes
18 employment of an employee leased from an employee leasing
19 company 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.

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

26
27 A person shall be deemed to be employed if the person performs
28 duties in connection with the operations of the business on a
29 regular, full-time basis, provided the person is performing
30 such duties for an average of at least 36 hours per week each
31 month, ~~or a part-time basis, provided the person is performing~~

1 ~~such duties for an average of at least 20 hours per week each~~
2 ~~month throughout the year.~~ The person must be performing such
3 duties at a business site located in the enterprise zone.

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

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

13 (b) The credit shall be computed as 20 follows+

14 ~~1. Ten~~ percent of the actual monthly wages paid in
15 this state to each new employee hired when a new job has been
16 created, unless the business is located within a rural
17 enterprise zone pursuant to s. 290.004(8), in which case the
18 credit shall be 30 percent of the actual monthly wages paid
19 ~~whose wages do not exceed \$1,500 a month.~~ If no less than 20
20 percent of the employees of the business are residents of an
21 enterprise zone, excluding temporary and part-time employees,
22 the credit shall be computed as 30 ~~15~~ percent of the actual
23 monthly wages paid in this state to each new employee hired
24 when a new job has been created, unless the business is
25 located within a rural enterprise zone, in which case the
26 credit shall be 45 percent of the actual monthly wages paid.
27 If the new employee hired when a new job is created is a
28 participant in the welfare transition program, the following
29 credit shall be a percent of the actual monthly wages paid: 40
30 percent for \$4 above the hourly federal minimum wage rate; 41
31 percent for \$5 above the hourly federal minimum wage rate; 42

1 percent for \$6 above the hourly federal minimum wage rate; 43
2 percent for \$7 above the hourly federal minimum wage rate; and
3 44 percent for \$8 above the hourly federal minimum wage rate.

4 +
5 ~~2. Five percent of the first \$1,500 of actual monthly~~
6 ~~wages paid in this state for each new employee whose wages~~
7 ~~exceed \$1,500 a month; or~~

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

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

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

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

7 (d) The starting salary or hourly wages paid to the
8 new employee.

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

13 (f)~~(e)~~ The identifying number assigned pursuant to s.
14 290.0065 to the enterprise zone in which the business is
15 located.

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

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

1 Revenue. The business shall be responsible for forwarding a
2 certified application to the department within the time
3 specified in paragraph (i) ~~(h)~~.

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

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

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

16 ~~(6)~~ ~~(5)~~ The credit provided in this section does not
17 apply:

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

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

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

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

31

1 (9)~~(8)~~ Any business which has claimed this credit
2 shall not be allowed any credit under the provisions of s.
3 220.181 for any new employee beginning employment after July
4 1, 1995.

5 (10)~~(9)~~ It shall be the responsibility of each
6 business to affirmatively demonstrate to the satisfaction of
7 the department that it meets the requirements of this section.

8 (11)~~(10)~~ Any person who fraudulently claims this
9 credit is liable for repayment of the credit plus a mandatory
10 penalty of 100 percent of the credit plus interest at the rate
11 provided in this chapter, and such person is guilty of a
12 misdemeanor of the second degree, punishable as provided in s.
13 775.082 or s. 775.083.

14 (12)~~(11)~~ The provisions of this section, except for
15 subsection(11)~~(10)~~, shall expire ~~and be void on~~ December 31,
16 2005.

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

19 212.098 Rural Job Tax Credit Program.--

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

21 (a) "Eligible business" means any sole proprietorship,
22 firm, partnership, or corporation that is located in a
23 qualified county and is predominantly engaged in, or is
24 headquarters for a business predominantly engaged in,
25 activities usually provided for consideration by firms
26 classified within the following standard industrial
27 classifications: SIC 01-SIC 09 (agriculture, forestry, and
28 fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public
29 warehousing and storage); SIC 70 (hotels and other lodging
30 places); SIC 7391 (research and development); SIC 7992 (public
31 golf courses); ~~and~~ SIC 7996 (amusement parks); and a targeted

1 industry eligible for the qualified target industry business
2 tax refund under s. 288.106. A call center or similar customer
3 service operation that services a multistate market or an
4 international market is also an eligible business. In
5 addition, the Office of Tourism, Trade, and Economic
6 Development may, as part of its final budget request submitted
7 pursuant to s. 216.023, recommend additions to or deletions
8 from the list of standard industrial classifications used to
9 determine an eligible business, and the Legislature may
10 implement such recommendations. Excluded from eligible
11 receipts are receipts from retail sales, except such receipts
12 for hotels and other lodging places classified in SIC 70,
13 public golf courses in SIC 7992, and amusement parks in SIC
14 7996. For purposes of this paragraph, the term
15 "predominantly" means that more than 50 percent of the
16 business's gross receipts from all sources is generated by
17 those activities usually provided for consideration by firms
18 in the specified standard industrial classification. The
19 determination of whether the business is located in a
20 qualified county and the tier ranking of that county must be
21 based on the date of application for the credit under this
22 section. Commonly owned and controlled entities are to be
23 considered a single business entity.

24 (b) "Qualified employee" means any employee of an
25 eligible business who performs duties in connection with the
26 operations of the business on a regular, full-time basis for
27 an average of at least 36 hours per week for at least 3 months
28 within the qualified county in which the eligible business is
29 located. The term also includes an employee leased from an
30 employee leasing company licensed under chapter 468, if such
31 employee has been continuously leased to the employer for an

1 average of at least 36 hours per week for more than 6 months.

2 An owner or partner of the eligible business is not a
3 qualified employee.

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

13 1. Highest unemployment rate for the most recent
14 36-month period.

15 2. Lowest per capita income for the most recent
16 36-month period.

17 3. Highest percentage of residents whose incomes are
18 below the poverty level, based upon the most recent data
19 available.

20 4. Average weekly manufacturing wage, based upon the
21 most recent data available.

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

27 ~~Notwithstanding this definition, "qualified county" also means~~
28 ~~a county that contains an area that has been designated as a~~
29 ~~federal Enterprise Community pursuant to the 1999 Agricultural~~
30 ~~Appropriations Act. Such a designated area shall be ranked in~~

31

1 ~~tier three until the areas are reevaluated by the Office of~~
2 ~~Tourism, Trade, and Economic Development.~~

3 (d) "New business" means any eligible business first
4 beginning operation on a site in a qualified county and
5 clearly separate from any other commercial or business
6 operation of the business entity within a qualified county. A
7 business entity that operated an eligible business within a
8 qualified county within the 48 months before the period
9 provided for application by subsection (2) is not considered a
10 new business.

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

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

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

1 receive a \$1,000~~\$1,500~~ tax credit for each such additional
2 employee. An existing ~~eligible~~ business that has 50 employees
3 or more in a qualified area that, on the date of application,
4 has at least 10 more qualified employees than it had 1 year
5 prior to its date of application shall receive a \$1,000 tax
6 credit for each additional employee.~~in a tier-two qualified~~
7 ~~county which on the date of application has at least 10 more~~
8 ~~qualified employees than it had 1 year prior to its date of~~
9 ~~application shall receive a \$1,000 credit for each such~~
10 ~~additional employee. An existing business in a tier-three~~
11 ~~qualified county which on the date of application has at least~~
12 ~~15 more qualified employees than it had 1 year prior to its~~
13 ~~date of application shall receive a \$500 tax credit for each~~
14 ~~such additional employee. An existing business may apply for~~
15 ~~the credit under this subsection no more than once in any~~
16 ~~12-month period.~~Any existing eligible business that received
17 a credit under subsection (2) may not apply for the credit
18 under this subsection sooner than 12 months after the
19 application date for the credit under subsection (2).

20 (4) For any new eligible business receiving a credit
21 pursuant to subsection (2), an additional \$500 credit shall be
22 provided for any qualified employee who is a welfare
23 transition program participant. For any existing eligible
24 business receiving a credit pursuant to subsection (3), an
25 additional \$500 credit shall be provided for any qualified
26 employee who is a welfare transition program participant. Such
27 employee must be employed on the application date and have
28 been employed less than 1 year. This credit shall be in
29 addition to other credits pursuant to this section regardless
30 of the tier-level of the county. Appropriate documentation
31

1 concerning the eligibility of an employee for this credit must
2 be submitted as determined by the department.

3 (5) To be eligible for a tax credit under subsection
4 (3), the number of qualified employees employed 1 year prior
5 to the application date must be no lower than the number of
6 qualified employees on the application date on which a credit
7 under this section was based for any previous application,
8 including an application under subsection (2).

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

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

25 (c) The maximum credit amount that may be approved
26 during any calendar year is \$5 million. The Department of
27 Revenue, in conjunction with the Office of Tourism, Trade, and
28 Economic Development, shall notify the governing bodies in
29 areas designated as qualified counties when the \$5 million
30 maximum amount has been reached. Applications must be
31 considered for approval in the order in which they are

1 received without regard to whether the credit is for a new or
2 existing business. This limitation applies to the value of
3 the credit as contained in approved applications. Approved
4 credits may be taken in the time and manner allowed pursuant
5 to this section.

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

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

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

18 (9) It is the responsibility of each business to
19 affirmatively demonstrate to the satisfaction of the
20 Department of Revenue that it meets the requirements of this
21 section.

22 (10) Any person who fraudulently claims this credit is
23 liable for repayment of the credit plus a mandatory penalty of
24 100 percent of the credit and is guilty of a misdemeanor of
25 the second degree, punishable as provided in s. 775.082 or s.
26 775.083.

27 (11) A corporation may take the credit under this
28 section against its corporate income tax liability, as
29 provided in s. 220.1895. However, a corporation that uses its
30 job tax credit against the tax imposed by chapter 220 may not
31

1 receive the credit provided for in this section. A credit may
2 be taken against only one tax.

3 (12) The department shall adopt rules governing the
4 manner and form of applications for credit and may establish
5 guidelines as to the requisites for an affirmative showing of
6 qualification for the credit under this section.

7 Section 4. Reduction or waiver of financial match
8 requirements.--Notwithstanding any other law, the member
9 agencies and organizations of the Rural Economic Development
10 Initiative (REDI), as defined in section 288.0656(6)(a),
11 Florida Statutes, shall review the financial match
12 requirements for projects in rural areas as defined in section
13 288.0656(2)(b), Florida Statutes.

14 (1) Each agency and organization shall develop a
15 proposal to waive or reduce the match requirement for rural
16 areas.

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

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

26 (4) Waivers and reductions must be requested by the
27 county or community, and such county or community must have
28 three or more of the factors identified in section
29 288.0656(2)(a), Florida Statutes.

30 (5) Any other funds available to the project may be
31 used for financial match of federal programs when there is

1 fiscal hardship and the match requirements may not be waived
2 or reduced.

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

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

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

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

15 220.03 Definitions.--

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

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

31

1 (b) "Affiliated group of corporations" means two or
2 more corporations which constitute an affiliated group of
3 corporations as defined in s. 1504(a) of the Internal Revenue
4 Code.

5 (c) "Business" or "business firm" means any business
6 entity authorized to do business in this state as defined in
7 paragraph (e), and any bank or savings and loan association as
8 defined in s. 220.62, subject to the tax imposed by the
9 provisions of this chapter. The provisions of this paragraph
10 shall expire and be void on June 30, 2005.

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

- 13 1. Cash or other liquid assets.
- 14 2. Real property.
- 15 3. Goods or inventory.
- 16 4. Other physical resources as identified by the
17 department.

18
19 The provisions of this paragraph shall expire and be void on
20 June 30, 2005.

21 (e) "Corporation" includes all domestic corporations;
22 foreign corporations qualified to do business in this state or
23 actually doing business in this state; joint-stock companies;
24 limited liability companies, under chapter 608; common-law
25 declarations of trust, under chapter 609; corporations not for
26 profit, under chapter 617; agricultural cooperative marketing
27 associations, under chapter 618; professional service
28 corporations, under chapter 621; foreign unincorporated
29 associations, under chapter 622; private school corporations,
30 under chapter 623; foreign corporations not for profit which
31 are carrying on their activities in this state; and all other

1 organizations, associations, legal entities, and artificial
2 persons which are created by or pursuant to the statutes of
3 this state, the United States, or any other state, territory,
4 possession, or jurisdiction. The term "corporation" does not
5 include proprietorships, even if using a fictitious name;
6 partnerships of any type, as such; limited liability companies
7 that are taxable as partnerships for federal income tax
8 purposes; state or public fairs or expositions, under chapter
9 616; estates of decedents or incompetents; testamentary
10 trusts; or private trusts.

11 (f) "Department" means the Department of Revenue of
12 this state.

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

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

20 (i) "Emergency," as used in s. 220.02 and in paragraph
21 (u) of this subsection, means occurrence of widespread or
22 severe damage, injury, or loss of life or property proclaimed
23 pursuant to s. 14.022 or declared pursuant to s. 252.36. The
24 provisions of this paragraph shall expire and be void on June
25 30, 2005.

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

29 (k) "Expansion of an existing business," for the
30 purposes of the enterprise zone property tax credit, means any
31 business entity authorized to do business in this state as

1 defined in paragraph (e), and any bank or savings and loan
2 association as defined in s. 220.62, subject to the tax
3 imposed by the provisions of this chapter, located in an
4 enterprise zone, which expands by or through additions to real
5 and personal property and which establishes five or more new
6 jobs to employ five or more additional full-time employees at
7 such location. The provisions of this paragraph shall expire
8 and be void on June 30, 2005.

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

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

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

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

25 (p) "New business," for the purposes of the enterprise
26 zone property tax credit, means any business entity authorized
27 to do business in this state as defined in paragraph (e), or
28 any bank or savings and loan association as defined in s.
29 220.62, subject to the tax imposed by the provisions of this
30 chapter, first beginning operations on a site located in an
31 enterprise zone and clearly separate from any other commercial

1 or industrial operations owned by the same entity, bank, or
2 savings and loan association and which establishes five or
3 more new jobs to employ five or more additional full-time
4 employees at such location. The provisions of this paragraph
5 shall expire and be void on June 30, 2005.

6 (q) "New employee," for the purposes of the enterprise
7 zone jobs credit, means a person residing in an enterprise
8 zone, ~~a qualified Job Training Partnership Act classroom~~
9 ~~training participant, or a WAGES Program participant~~ in the
10 welfare transition program who is employed at a business
11 located in an enterprise zone who begins employment in the
12 operations of the business after July 1, 1995, and who has not
13 been previously employed full-time within the preceding 12
14 months by the business or a successor business claiming the
15 credit pursuant to s. 220.181. A person shall be deemed to be
16 employed by such a business if the person performs duties in
17 connection with the operations of the business on a full-time
18 basis, provided she or he is performing such duties for an
19 average of at least 36 hours per week each month, ~~or a~~
20 ~~part-time basis, provided she or he is performing such duties~~
21 ~~for an average of at least 20 hours per week each month~~
22 throughout the year. The term "jobs" also includes employment
23 of an employee leased from an employee leasing company
24 licensed under chapter 468, if such employee has been
25 continuously leased to the employer for an average of at least
26 36 hours per week for more than 6 months.The person must be
27 performing such duties at a business site located in an
28 enterprise zone. The provisions of this paragraph shall expire
29 and be void on June 30, 2005.

30 (r) "Nonbusiness income" means rents and royalties
31 from real or tangible personal property, capital gains,

1 interest, dividends, and patent and copyright royalties, to
2 the extent that they do not arise from transactions and
3 activities in the regular course of the taxpayer's trade or
4 business. The term "nonbusiness income" does not include
5 income from tangible and intangible property if the
6 acquisition, management, and disposition of the property
7 constitute integral parts of the taxpayer's regular trade or
8 business operations, or any amounts which could be included in
9 apportionable income without violating the due process clause
10 of the United States Constitution. For purposes of this
11 definition, "income" means gross receipts less all expenses
12 directly or indirectly attributable thereto. Functionally
13 related dividends are presumed to be business income.

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

20 (t) "Project" means any activity undertaken by an
21 eligible sponsor, as defined in s. 220.183(2)(c), which is
22 designed to construct, improve, or substantially rehabilitate
23 housing that is affordable to low-income or very-low-income
24 households as defined in s. 420.9071(19) and (28); designed to
25 provide commercial, industrial, or public resources and
26 facilities; or designed to improve entrepreneurial and
27 job-development opportunities for low-income persons. A
28 project may be the investment necessary to increase access to
29 high-speed broadband capability in rural communities with
30 enterprise zones, including projects that result in
31 improvements to communications assets that are owned by a

1 business. A project may include the provision of museum
2 educational programs and materials that are directly related
3 to any project approved between January 1, 1996, and December
4 31, 1999, and located in an enterprise zone as referenced in
5 s. 290.00675. This paragraph does not preclude projects that
6 propose to construct or rehabilitate low-income or
7 very-low-income housing on scattered sites. The Office of
8 Tourism, Trade, and Economic Development may reserve up to 50
9 percent of the available annual tax credits under s. 220.181
10 for housing for very-low-income households pursuant to s.
11 420.9071(28) for the first 6 months of the fiscal year. With
12 respect to housing, contributions may be used to pay the
13 following eligible project-related activities:

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

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

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

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

29 ~~"Project" means any activity undertaken by an eligible~~
30 ~~sponsor, as defined in s. 220.183(2)(c), which is designed to~~
31 ~~construct, improve, or substantially rehabilitate housing or~~

1 ~~commercial, industrial, or public resources and facilities or~~
2 ~~to improve entrepreneurial and job-development opportunities~~
3 ~~for low-income persons.~~

4
5 The provisions of this paragraph shall expire and be void on
6 June 30, 2005.

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

15 The provisions of this paragraph shall expire and be void on
16 June 30, 2005.

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

19 (w) "Returns" includes declarations of estimated tax
20 required under this code.

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

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

29 (z) "Taxable year" means the calendar or fiscal year
30 upon the basis of which net income is computed under this

31

1 code, including, in the case of a return made for a fractional
2 part of a year, the period for which such return is made.

3 (aa) "Taxpayer" means any corporation subject to the
4 tax imposed by this code, and includes all corporations for
5 which a consolidated return is filed under s. 220.131.

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

16 (bb) "Functionally related dividends" include the
17 following types of dividends:

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

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

30
31

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

4
5 However, dividends not otherwise subject to tax under this
6 chapter are excluded.

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

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

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

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

31

1 (gg) "Jobs" means full-time positions, as consistent
2 with terms used by the Agency for Workforce Innovation and the
3 United States Department of Labor for purposes of unemployment
4 compensation tax administration and employment estimation
5 resulting directly from business operations in this state.
6 This number may not include temporary construction jobs
7 involved with the construction of facilities or any jobs that
8 have previously been included in any application for tax
9 credits under s. 220.181(1).

10 Section 6. Effective January 1, 2002, subsections (1)
11 and (2) of section 220.181, Florida Statutes, are amended to
12 read:

13 220.181 Enterprise zone jobs credit.--

14 (1)(a) Beginning January July 1, 2002 1995, there
15 shall be allowed a credit against the tax imposed by this
16 chapter to any business located in an enterprise zone which
17 demonstrates to the department that the total number of
18 full-time jobs has increased from the average of the previous
19 12 months. This credit is also available for a business that
20 added a minimum of five new full-time jobs in an enterprise
21 zone between July 1, 2000, and December 31, 2001 employs one
22 or more new employees. The credit shall be computed as 20
23 follows:

24 1. ~~Ten~~ percent of the actual monthly wages paid in
25 this state to each new employee hired when a new job has been
26 created, as defined under s. 220.03(1)(ff), unless the
27 business is located in a rural enterprise zone, pursuant to s.
28 290.004(8), in which case the credit shall be 30 percent of
29 the actual monthly wages paid whose wages do not exceed \$1,500
30 a month. If no less than 20 percent of the employees of the
31 business are residents of an enterprise zone, excluding

1 temporary and part-time employees, the credit shall be
2 computed as 30 ~~±5~~ percent of the actual monthly wages paid in
3 this state to each new employee hired when a new job has been
4 created, unless the business is located in a rural enterprise
5 zone, in which case the credit shall be 45 percent of the
6 actual monthly wages paid, for a period of up to 24 ~~±2~~
7 consecutive months. If the new employee hired when a new job
8 is created is a participant in the welfare transition program,
9 the following credit shall be a percent of the actual monthly
10 wages paid: 40 percent for \$4 above the hourly federal minimum
11 wage rate; 41 percent for \$5 above the hourly federal minimum
12 wage rate; 42 percent for \$6 above the hourly federal minimum
13 wage rate; 43 percent for \$7 above the hourly federal minimum
14 wage rate; and 44 percent for \$8 above the hourly federal
15 minimum wage rate.⁷

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

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

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

26 (c) If this credit is not fully used in any one year,
27 the unused amount may be carried forward for a period not to
28 exceed 5 years. The carryover credit may be used in a
29 subsequent year when the tax imposed by this chapter for such
30 year exceeds the credit for such year after applying the other
31

1 credits and unused credit carryovers in the order provided in
2 s. 220.02(8).

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

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

17 (b) If applicable, the name and address of each
18 permanent employee of the business, including, for each
19 employee who is a resident of an enterprise zone, the
20 identifying number assigned pursuant to s. 290.0065 to the
21 enterprise zone in which the employee resides.

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

23 (d) The identifying number assigned pursuant to s.
24 290.0065 to the enterprise zone in which the eligible business
25 is located.

26 (e) The salary or hourly wages paid to each new
27 employee claimed.

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

31

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

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

5 220.183 Community contribution tax credit.--

6 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
7 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
8 SPENDING.--

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

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

15 (c) The total amount of tax credit which may be
16 granted for all programs approved under this section, s.
17 212.08(5)(q), and s. 624.5105 is \$10 million annually.

18 (d) All proposals for the granting of the tax credit
19 shall require the prior approval of the Office of Tourism,
20 Trade, and Economic Development.

21 (e) If the credit granted pursuant to this section is
22 not fully used in any one year because of insufficient tax
23 liability on the part of the business firm, the unused amount
24 may be carried forward for a period not to exceed 5 years. The
25 carryover credit may be used in a subsequent year when the tax
26 imposed by this chapter for such year exceeds the credit for
27 such year under this section after applying the other credits
28 and unused credit carryovers in the order provided in s.
29 220.02(8).

30
31

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

4 (g) A taxpayer who is eligible to receive the credit
5 provided for in s. 624.5105 is not eligible to receive the
6 credit provided by this section.

7 (2) ELIGIBILITY REQUIREMENTS.--

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

10 (b) All community contributions must be reserved
11 exclusively for use in projects as defined in s. 220.03(1)(t).
12 The Office of Tourism, Trade, and Economic Development may
13 reserve up to 50 percent of the available annual tax credits
14 for housing for very-low-income households pursuant to s.
15 420.9071(28), for the first 6 months of the fiscal year.

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

- 18 1. A community action program;
- 19 2. A nonprofit community-based ~~community~~ development
20 organization whose mission is the provision of housing for
21 low-income or very-low-income households or increasing
22 entrepreneurial and job-development opportunities for
23 low-income persons ~~corporation~~;
- 24 3. A neighborhood housing services corporation;
- 25 4. A local housing authority, created pursuant to
26 chapter 421;
- 27 5. A community redevelopment agency, created pursuant
28 to s. 163.356;
- 29 6. The Florida Industrial Development Corporation;
- 30 7. An historic preservation district agency or
31 organization;

1 8. A regional workforce board ~~private industry~~
2 ~~council~~;

3 9. A direct-support organization as provided in s.
4 240.551;

5 10. An enterprise zone development agency created
6 pursuant to s. 290.0056 ~~s. 290.0057~~; or

7 11. A community-based organization incorporated under
8 chapter 617 which is recognized as educational, charitable, or
9 scientific pursuant to s. 501(c)(3) of the Internal Revenue
10 Code and whose by-laws and articles of incorporation include
11 affordable housing, economic development, or community
12 development as the primary mission of the corporation;

13 12. Units of local government;

14 13. Units of state government; or

15 ~~14.11.~~ Such other agency as the Office of Tourism,
16 Trade, and Economic Development may, from time to time,
17 designate by rule.

18

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

21 (d) The project shall be located in an area designated
22 as an enterprise zone or a Front Porch Florida Community
23 pursuant to s. 14.2015(9)(b)~~pursuant to s. 290.0065~~. Any
24 project designed to construct or rehabilitate housing for
25 low-income or very-low-income households as defined in s.
26 420.9071(19) and (28)~~low-income housing~~ is exempt from the
27 area requirement of this paragraph. This section does not
28 preclude projects that propose to construct or rehabilitate
29 housing for low-income or very-low-income households on
30 scattered sites. Any project designed to provide increased
31 access to high-speed broadband capabilities which includes

1 coverage of a rural enterprise zone may locate the project's
2 infrastructure in any area of a rural county.

3 (3) APPLICATION REQUIREMENTS.--

4 (a) Any eligible sponsor wishing to participate in
5 this program must submit a proposal to the Office of Tourism,
6 Trade, and Economic Development which sets forth the sponsor,
7 the project, the area in which the project is located, and
8 such supporting information as may be prescribed by rule. The
9 proposal shall also contain a resolution from the local
10 governmental unit in which it is located certifying that the
11 project is consistent with local plans and regulations.

12 (b) Any business wishing to participate in this
13 program must submit an application for tax credit to the
14 Office of Tourism, Trade, and Economic Development, which
15 application sets forth the sponsor; the project; and the type,
16 value, and purpose of the contribution. The sponsor shall
17 verify the terms of the application and indicate its receipt
18 of willingness to receive the contribution, ~~which verification~~
19 ~~indicate its willingness to receive the contribution, which~~
20 verification must ~~shall~~ be in writing and ~~shall~~ accompany the
21 application for tax credit.

22 (c) The business firm must submit a separate
23 application for tax credit for each individual contribution
24 that ~~which~~ it makes ~~proposes to contribute~~ to each individual
25 project.

26 (4) ADMINISTRATION.--

27 (a) The Office of Tourism, Trade, and Economic
28 Development has authority to adopt rules pursuant to ss.
29 120.536(1) and 120.54 to implement the provisions of this
30 section, including rules for the approval or disapproval of
31 proposals by business firms.

1 (b) The decision of the Office of Tourism, Trade, and
2 Economic Development shall be in writing, and, if approved,
3 the notification must ~~proposal shall~~ state the maximum credit
4 allowable to the business firm. A copy of the decision shall
5 be transmitted to the executive director of the Department of
6 Revenue, who shall apply such credit to the tax liability of
7 the business firm.

8 (c) The Office of Tourism, Trade, and Economic
9 Development shall periodically monitor all projects in a
10 manner consistent with available resources to ensure that
11 resources are utilized in accordance with this section;
12 however, each project shall be reviewed no less often than
13 once every 2 years.

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

17 (e) The Office of Tourism, Trade, and Economic
18 Development shall, in consultation with the Department of
19 Community Affairs, the Florida Housing Finance Corporation,
20 and the statewide and regional housing and financial
21 intermediaries, market the availability of the community
22 contribution tax credit program to community-based
23 organizations.

24 Section 8. Section 288.018, Florida Statutes, is
25 amended to read:

26 288.018 Regional Rural Development Grants Program.--

27 (1) The Office of Tourism, Trade, and Economic
28 Development shall establish a matching grant program to
29 provide funding to regionally based economic development
30 organizations representing rural counties and communities for
31 the purpose of building the professional capacity of their

1 organizations. The Office of Tourism, Trade, and Economic
2 Development is authorized to approve, on an annual basis,
3 grants to such regionally based economic development
4 organizations. The maximum amount an organization may receive
5 in any year will be \$35,000, or \$100,000 in a rural area of
6 critical economic concern recommended by the Rural Economic
7 Development Initiative and designated by the Governor, and
8 must be matched each year by an equivalent amount of nonstate
9 resources.

10 (2) In approving the participants, the Office of
11 Tourism, Trade, and Economic Development shall consider the
12 demonstrated need of the applicant for assistance and require
13 the following:

14 (a) Documentation of official commitments of support
15 from each of the units of local government represented by the
16 regional organization.

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

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

22 (d) Demonstration that the organization is in
23 existence and actively involved in economic development
24 activities serving the region.

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

28 (3) The Office of Tourism, Trade, and Economic
29 Development may also contract for the development of an
30 enterprise zone web portal or web sites for each enterprise
31 zone which will be used to market the program for job creation

1 in disadvantaged urban and rural enterprise zones. Each
2 enterprise zone web page should include downloadable links to
3 state forms and information, as well as local message boards
4 that help businesses and residents receive information
5 concerning zone boundaries, job openings, zone programs, and
6 neighborhood improvement activities.

7 (4)(3) The Office of Tourism, Trade, and Economic
8 Development may expend up to \$750,000~~\$600,000~~ each fiscal
9 year from funds appropriated to the Rural Community
10 Development Revolving Loan Fund for the purposes outlined in
11 this section. The Office of Tourism, Trade, and Economic
12 Development may contract with Enterprise Florida, Inc., for
13 the administration of the purposes specified in this section.
14 Funds released to Enterprise Florida, Inc., for this purpose
15 shall be released quarterly and shall be calculated based on
16 the applications in process.

17 Section 9. Section 288.019, Florida Statutes, is
18 created to read:

19 288.019 Rural considerations in grant review and
20 evaluation processes.--Notwithstanding any other law, and to
21 the fullest extent possible, the member agencies and
22 organizations of the Rural Economic Development Initiative
23 (REDI) as defined in s. 288.0656(6)(a) shall review all grant
24 and loan application evaluation criteria to ensure the fullest
25 access for rural counties as defined in s. 288.0656(2)(b) to
26 resources available throughout the state.

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

31

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

5 (3) Evaluation criteria and scoring procedures must
6 recognize the disparity of available fiscal resources for an
7 equal level of financial support from an urban county and a
8 rural county.

9 (a) The evaluation criteria should weight contribution
10 in proportion to the amount of funding available at the local
11 level.

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

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

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

28 288.065 Rural Community Development Revolving Loan
29 Fund.--

30 (2) The program shall provide for long-term loans,
31 loan guarantees, and loan loss reserves to units of local

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

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

29 288.0656 Rural Economic Development Initiative.--

30 (6)(a) By ~~No later than~~ August 1 of each year, ~~1999,~~
31 the head of each of the following agencies and organizations

1 shall designate a high-level staff person from within the
2 agency or organization to serve as the REDI representative for
3 the agency or organization:

- 4 1. The Department of Community Affairs.
- 5 2. The Department of Transportation.
- 6 3. The Department of Environmental Protection.
- 7 4. The Department of Agriculture and Consumer
8 Services.
- 9 5. The Department of State.
- 10 6. The Department of Health.
- 11 7. The Department of Children and Family Services.
- 12 8. The Department of Corrections.
- 13 9. The Agency for Workforce Innovation ~~Department of~~
14 ~~Labor and Employment Security~~.
- 15 10. The Department of Education.
- 16 11. The Department of Juvenile Justice.
- 17 ~~12.11.~~ The Fish and Wildlife Conservation Commission.
- 18 ~~13.12.~~ Each water management district.
- 19 ~~14.13.~~ Enterprise Florida, Inc.
- 20 15. Workforce Florida, Inc.
- 21 ~~16.14.~~ The Florida Commission on Tourism or VISIT
22 Florida.
- 23 ~~17.15.~~ The Florida Regional Planning Council
24 Association.
- 25 ~~18.16.~~ The Florida State Rural Development Council.
- 26 19.17. The Institute of Food and Agricultural Sciences
27 (IFAS).

28
29 An alternate for each designee shall also be chosen, and the
30 names of the designees and alternates shall be sent to the
31

1 director of the Office of Tourism, Trade, and Economic
2 Development.

3 (b) Each REDI representative must have comprehensive
4 knowledge of his or her agency's functions, both regulatory
5 and service in nature, and of the state's economic goals,
6 policies, and programs. This person shall be the primary point
7 of contact for his or her agency with REDI on issues and
8 projects relating to economically distressed rural communities
9 and with regard to expediting project review, shall ensure a
10 prompt effective response to problems arising with regard to
11 rural issues, and shall work closely with the other REDI
12 representatives in the identification of opportunities for
13 preferential awards of program funds and allowances and waiver
14 of program requirements when necessary to encourage and
15 facilitate long-term private capital investment and job
16 creation.

17 (c) The REDI representatives shall work with REDI in
18 the review and evaluation of statutes and rules for adverse
19 impact on rural communities and the development of alternative
20 proposals to mitigate that impact.

21 (d) Each REDI representative shall be responsible for
22 ensuring that each district office or facility of his or her
23 agency is informed about the Rural Economic Development
24 Initiative and for providing assistance throughout the agency
25 in the implementation of REDI activities.

26 Section 12. Section 288.1088, Florida Statutes, is
27 amended to read:

28 288.1088 Quick Action Closing Fund.--

29 (1)(a) The Legislature finds that attracting,
30 retaining, and providing favorable conditions for the growth
31 of certain high-impact business facilities, privately

1 developed critical rural infrastructure, or key facilities in
2 economically distressed urban or rural communities which
3 provide ~~provides~~ widespread economic benefits to the public
4 through high-quality employment opportunities in such
5 facilities or ~~and~~ in related facilities attracted to the
6 state, through the increased tax base provided by the
7 high-impact facility and related businesses ~~in related~~
8 ~~sectors~~, through an enhanced entrepreneurial climate in the
9 state and the resulting business and employment opportunities,
10 and through the stimulation and enhancement of the state's
11 universities and community colleges. In the global economy,
12 there exists serious and fierce international competition for
13 these facilities, and in most instances, when all available
14 resources for economic development have been used, the state
15 continues to encounter severe competitive disadvantages in
16 vying for these ~~high-impact~~ business facilities. Florida's
17 rural areas must provide a competitive environment for
18 business in the information age. This often requires an
19 incentive to make it feasible for private investors to provide
20 infrastructure in those areas.

21 (b) The Legislature therefore declares that sufficient
22 resources shall be available to respond to extraordinary
23 economic opportunities and to compete effectively for these
24 high-impact business facilities, critical private
25 infrastructure in rural areas, and key businesses in
26 economically distressed urban or rural communities.

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

29 (3)(a) Enterprise Florida, Inc., shall evaluate
30 individual proposals for high-impact business facilities and
31 forward recommendations regarding the use of moneys in the

1 fund for such facilities to the director of the Office of
2 Tourism, Trade, and Economic Development. Such evaluation and
3 recommendation must include, but need not be limited to:

4 1. A description of the type of facility or
5 infrastructure, its operations ~~business operation~~, and the
6 associated product or service associated with the facility.

7 2. The number of full-time-equivalent jobs that will
8 be created by the facility and the total estimated average
9 annual wages of those jobs or, in the case of privately
10 developed rural infrastructure, the types of business
11 activities and jobs stimulated by the investment.

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

14 4. A statement of any special impacts the facility is
15 expected to stimulate in a particular business sector in the
16 state or regional economy or in the state's universities and
17 community colleges.

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

22 (b) Upon receipt of the evaluation and recommendation
23 from Enterprise Florida, Inc., the director shall recommend
24 approval or disapproval of a project for receipt of funds from
25 the Quick Action Closing Fund to the Governor. In recommending
26 a project ~~high-impact business facility~~, the director shall
27 include proposed performance conditions that the project
28 facility must meet to obtain incentive funds. The Governor
29 shall consult with the President of the Senate and the Speaker
30 of the House of Representatives before giving final approval
31 for a project. The Executive Office of the Governor shall

1 recommend approval of a project and release of funds pursuant
2 to the legislative consultation and review requirements set
3 forth in s. 216.177. The recommendation must include proposed
4 performance conditions the project must meet to obtain funds.

5 (c) Upon the approval of the Governor, the director of
6 the Office of Tourism, Trade, and Economic Development and the
7 ~~high-impact~~ business shall enter into a contract that sets
8 forth the conditions for payment of moneys from the fund. The
9 contract must include the total amount of funds awarded; the
10 performance conditions that must be met to obtain the award,
11 including, but not limited to, net new employment in the
12 state, average salary, and total capital investment;
13 demonstrate a baseline of current service and a measure of
14 enhanced capability;the methodology for validating
15 performance; the schedule of payments from the fund; and
16 sanctions for failure to meet performance conditions.

17 (d) Enterprise Florida, Inc., shall validate
18 contractor performance. Such validation shall be reported
19 within 6 months after completion of the contract to the
20 Governor, President of the Senate, and the Speaker of the
21 House of Representatives.

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

24 288.9015 Enterprise Florida, Inc.; purpose; duties.--

25 (2) It shall be the responsibility of Enterprise
26 Florida, Inc., to aggressively market Florida's rural
27 communities,~~and~~ distressed urban communities, and enterprise
28 zones as locations for potential new investment, to
29 aggressively assist in the retention and expansion of existing
30 businesses in these communities, and to aggressively assist
31 these communities in the identification and development of new

1 economic development opportunities for job creation, fully
2 using state incentive programs such as the Qualified Target
3 Industry Tax Refund Program under s. 288.106 and the Quick
4 Action Closing Fund under s. 288.1088 in economically
5 distressed areas.

6 Section 14. Section 290.004, Florida Statutes, is
7 amended to read:

8 290.004 Definitions relating to Florida Enterprise
9 Zone Act.--As used in ss. 290.001-290.016:

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

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

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

19 (4) "Governing body" means the council or other
20 legislative body charged with governing the county or
21 municipality.

22 (5) "Interagency coordinating council" means the
23 Enterprise Zone Interagency Coordinating Council created
24 pursuant to s. 290.009.

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

27 (7) "Office" means the Office of Tourism, Trade, and
28 Economic Development.

29 (8) "Rural enterprise zone" means an enterprise zone
30 that is nominated by a county having a population of 75,000 or
31 fewer, or a county having a population of 100,000 or fewer

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

6 (9)~~(8)~~ "Secretary" means the Secretary of Commerce.

7 (10)~~(9)~~ "Small business" has the same meaning as in s.
8 288.703.

9 Section 15. Enterprise zone designation for Sarasota
10 County or Sarasota County and Sarasota.--Sarasota County, or
11 Sarasota County and the City of Sarasota jointly, may apply to
12 the Office of Tourism, Trade, and Economic Development for
13 designation of one enterprise zone within the county, or
14 within both the county and the municipality, which zone
15 encompasses an area that is south of the north county line,
16 west of Tuttle Avenue, north of 10th Street, and east of U.S.
17 Highway 41. The application must be submitted by December 31,
18 2001, and must comply with the requirements of section
19 290.0055, Florida Statutes. Notwithstanding the provisions of
20 section 290.0065, Florida Statutes, limiting the total number
21 of enterprise zones designated and the number of enterprise
22 zones within a population category, the Office of Tourism,
23 Trade, and Economic Development may designate one enterprise
24 zone under this section. The Office of Tourism, Trade, and
25 Economic Development shall establish the initial effective
26 date of the enterprise zone designated under this section.

27 Section 16. Section 290.00555, Florida Statutes, is
28 amended to read:

29 290.00555 Satellite enterprise zones.--~~Before December~~
30 ~~31, 1999,~~Any municipality an area of which has previously
31 received designation as an enterprise zone in the population

1 category described in s. 290.0065(3)(a)3. may create a
2 satellite enterprise zone not exceeding 1.5 square miles in
3 area outside of and, notwithstanding anything contained in s.
4 290.0055(4), or any other law, in addition to the previously
5 designated enterprise zone boundaries. The Office of Tourism,
6 Trade, and Economic Development shall amend the boundaries of
7 the areas previously designated by any such municipality as
8 enterprise zones upon receipt of a resolution adopted by the
9 municipality describing the satellite enterprise zone areas,
10 as long as the additional areas are consistent with the
11 categories, criteria, and limitations imposed by s. 290.0055.
12 However, the requirements imposed by s. 290.0055(4)(d) do not
13 apply to such satellite enterprise zone areas.

14 Section 17. Satellite enterprise zones may be created
15 pursuant to section 290.00555, Florida Statutes, effective
16 retroactively to December 31, 1999. Resolutions adopted to
17 create satellite enterprise zones under this section must be
18 submitted to the Office of Tourism, Trade, and Economic
19 Development no later than August 1, 2001. The Office of
20 Tourism, Trade, and Economic Development must amend the
21 boundaries of previously designated enterprise zones to create
22 eligible satellite enterprise zones no later than September 1,
23 2001. Notwithstanding the time limitations contained in
24 chapter 212, Florida Statutes, a business in a satellite
25 enterprise zone designated under this section which was
26 eligible to receive tax incentives pursuant to section
27 212.08(5)(g) and (h) and section 212.096, Florida Statutes,
28 during the period beginning December 31, 1999, and ending on
29 the date of the creation of the satellite enterprise zone,
30 must submit an application for the tax incentives by December

31

1 1, 2001. All other requirements of the enterprise zone program
2 apply to such a business.

3 Section 18. Section 290.0065, Florida Statutes, is
4 amended to read:

5 290.0065 State designation of enterprise zones.--

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

22 (2) Each application made pursuant to s. 290.0055
23 shall be ranked competitively within the appropriate category
24 established pursuant to subsection (3) based on the pervasive
25 poverty, unemployment, and general distress of the area; the
26 strategic plan, including local fiscal and regulatory
27 incentives, prepared pursuant to s. 290.0057; and the
28 prospects for new investment and economic development in the
29 area. Pervasive poverty, unemployment, and general distress
30 shall be weighted 35 percent; strategic plan and local fiscal
31 and regulatory incentives shall be weighted 40 percent; and

1 prospects for new investment and economic development in the
2 area shall be weighted 25 percent.

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

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

8 2. Communities consisting of census tracts in areas
9 having a total population of 50,000 persons or more but less
10 than 150,000 persons.

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

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

15 5. Communities having a population of less than 7,500
16 persons.

17 (b) Any area authorized to be an enterprise zone by
18 both a county and a municipality shall be placed in the
19 appropriate category established under paragraph (a) in which
20 an application by the municipality would have been considered
21 if the municipality had acted alone, if at least 60 percent of
22 the population of the area authorized to be an enterprise zone
23 resides within the municipality. An area authorized to be an
24 enterprise zone by a county and one or more municipalities
25 shall be placed in the category in which an application by the
26 municipality with the highest percentage of residents in such
27 area would have been considered if such municipality had
28 authorized the area to be an enterprise zone. An area
29 authorized to be an enterprise zone by a county as defined by
30 s. 125.011(1) shall be placed in the category in which an
31 application by the municipality in which the area is located

1 would have been considered if the municipality had authorized
2 such area to be an enterprise zone. An area authorized to be
3 an enterprise zone by a county as defined by s. 125.011(1)
4 which area is located in two or more municipalities shall be
5 placed in the category in which an application by the
6 municipality with the highest percentage of residents in such
7 area would have been considered if such municipality had
8 authorized such area to be an enterprise zone.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 1. Economic opportunity, including job creation within
29 the community and throughout the region, as well as
30 entrepreneurial initiatives, small business expansion, and
31 training for jobs that offer upward mobility.

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

5 3. Community-based partnerships involving the
6 participation of all segments of the community.

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

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

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

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

29 (8)(a) Notwithstanding s. 290.0055, any area existing
30 as a state enterprise zone as of December 30, 1994, which has
31 received at least \$1 million in state community development

1 funds and at least \$500,000 in federal community development
2 funds, which has less than 300 businesses located within the
3 boundaries of the enterprise zone, and which has been
4 designated by the United States Department of Agriculture as a
5 "Champion Community" shall be redesignated as a state
6 enterprise zone upon the creation of an enterprise zone
7 development agency pursuant to s. 290.0056 and the completion
8 of a strategic plan pursuant to s. 290.0057.

9 (b) Such designation shall be in addition to the
10 limitations of state enterprise zone designation set out in
11 subsection (1).

12 ~~(9) The Office of Tourism, Trade, and Economic~~
13 ~~Development may amend the boundaries of any enterprise zone~~
14 ~~designated by the state pursuant to this section, consistent~~
15 ~~with the categories, criteria, and limitations imposed in this~~
16 ~~section upon the establishment of such enterprise zone and~~
17 ~~only if consistent with the determinations made in s.~~
18 ~~290.0058(2).~~

19 (9)~~(10)~~ Before December 31, 1998, the governing body
20 of a county in which an enterprise zone designated pursuant to
21 paragraph (5)(b) is located may apply to the Office of
22 Tourism, Trade, and Economic Development to amend the
23 boundaries of the enterprise zone for the purpose of replacing
24 areas not suitable for development. The Office of Tourism,
25 Trade, and Economic Development shall approve the application
26 if it does not increase the overall size of the enterprise
27 zone. Except that upon the request of the governing body of a
28 home rule charter county, or any county the government of
29 which has been consolidated with the government of one or more
30 municipalities in accordance with s. 9, Art. VIII of the State
31 Constitution of 1885, as preserved by s. 6(e), Art. VIII of

1 the State Constitution as revised in 1968 and subsequently
2 amended, the Office of Tourism, Trade, and Economic
3 Development may amend the boundaries of an area designated as
4 an enterprise zone upon the receipt of a resolution adopted by
5 such governing body describing the amended boundaries, so long
6 as the added area does not increase the overall size of the
7 expanded zone more than its original size or 20 square miles,
8 whichever is larger, and is consistent with the categories,
9 criteria, and limitations imposed by s. 290.0055.

10 (10)~~(11)~~ Before December 31, 1999, any county as
11 defined in s. 125.011(1) may create a satellite enterprise
12 zone not exceeding 3 square miles in area outside of and,
13 notwithstanding anything contained in s. 290.0055(4) or
14 elsewhere, in addition to the previously designated 20 square
15 miles of enterprise zones. The Office of Tourism, Trade, and
16 Economic Development shall amend the boundaries of the areas
17 previously designated by any such county as enterprise zones
18 upon the receipt of a resolution adopted by such governing
19 body describing the satellite enterprise zone, as long as the
20 additional area is consistent with the categories, criteria,
21 and limitations imposed by s. 290.0055, provided that the
22 20-square-mile limitation and the requirements imposed by s.
23 290.0055(4)(d) do not apply to such satellite enterprise zone.

24 Section 19. Section 290.00676, Florida Statutes, is
25 created to read:

26 290.00676 Amendment of rural enterprise zone
27 boundaries.--Notwithstanding any other law, upon
28 recommendation by Enterprise Florida, Inc., the Office of
29 Tourism, Trade, and Economic Development may approve requests
30 to amend the boundaries of rural enterprise zones as defined
31

1 in s. 290.004(8). Boundary amendments authorized by this
2 section are subject to the following requirements:

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

5 (2) The amendment may increase the zone's number of
6 noncontiguous areas by one, if the additional noncontiguous
7 area has zero population. For purposes of this subsection, the
8 pervasive poverty criteria may be set aside for the addition
9 of a noncontiguous area.

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

16 Section 20. Section 290.00677, Florida Statutes, is
17 created to read:

18 290.00677 Rural enterprise zones; special
19 qualifications.--

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

29 (2) Notwithstanding the enterprise zone residency
30 requirements set out in s. 220.03(1)(q), eligible businesses
31 as defined by s. 212.096(1)(a), located in rural enterprise

1 zones as defined in s. 290.004, may receive the basic minimum
2 credit provided under s. 220.181 for creating a new job and
3 hiring a person residing within the jurisdiction of a rural
4 county, as defined by s. 288.106(1)(r). All other provisions
5 of s. 220.181, including, but not limited to, those relating
6 to the award of enhanced credits apply to such businesses.

7 Section 21. Section 290.00694, Florida Statutes, is
8 created to read:

9 290.00694 Enterprise zone designation for rural
10 communities.--An area designated as a rural champion community
11 under the Taxpayer Relief Act of 1997 or a community within a
12 designated rural area of critical economic concern under s.
13 288.0656 may submit an application to Enterprise Florida,
14 Inc., for review and recommendation to the office for
15 designation as an enterprise zone. The application must be
16 submitted by December 31, 2001. Notwithstanding the provisions
17 of s. 290.0065 limiting the total number of enterprise zones
18 designated and the number of enterprise zones within a
19 population category, the Office of Tourism, Trade, and
20 Economic Development may designate enterprise zones under this
21 section. Upon completion of the requirements set out in s.
22 290.0065(5)(d), the Office of Tourism, Trade, and Economic
23 Development shall establish the initial effective date of the
24 enterprise zones designated pursuant to this section. Only one
25 community in each county in a rural area of critical economic
26 concern may be designated as an enterprise zone.

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

29 290.007 State incentives available in enterprise
30 zones.--The following incentives are provided by the state to
31 encourage the revitalization of enterprise zones:

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

3 Section 23. Subsection (7) is added to section
4 290.048, Florida Statutes, to read:

5 290.048 General powers of Department of Community
6 Affairs under ss. 290.0401-290.049.--The department has all
7 the powers necessary or appropriate to carry out the purposes
8 and provisions of the program, including the power to:

9 (7) Establish advisory committees and solicit
10 participation in designing, administering, and evaluating the
11 program and in linking the program with other housing and
12 community development resources.

13 Section 24. Section 290.049, Florida Statutes, is
14 repealed.

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

17 Section 26. Paragraph (e) of subsection (2) of section
18 380.06, Florida Statutes, is amended to read:

19 380.06 Developments of regional impact.--

20 (2) STATEWIDE GUIDELINES AND STANDARDS.--

21 (e) With respect to residential, hotel, motel, office,
22 and retail developments, the applicable guidelines and
23 standards shall be increased by 50 percent in urban central
24 business districts and regional activity centers of
25 jurisdictions whose local comprehensive plans are in
26 compliance with part II of chapter 163. With respect to
27 multiuse developments, the applicable guidelines and standards
28 shall be increased by 100 percent in urban central business
29 districts and regional activity centers of jurisdictions whose
30 local comprehensive plans are in compliance with part II of
31 chapter 163, if one land use of the multiuse development is

1 residential and amounts to not less than 35 percent of the
2 jurisdiction's applicable residential threshold. With respect
3 to resort or convention hotel developments, the applicable
4 guidelines and standards shall be increased by 150 percent in
5 urban central business districts and regional activity centers
6 of jurisdictions whose local comprehensive plans are in
7 compliance with part II of chapter 163 and where the increase
8 is specifically for a proposed resort or convention hotel
9 located in a county with a population greater than 500,000 and
10 the local government specifically designates that the proposed
11 resort or convention hotel development will serve an existing
12 convention center of more than 250,000 gross square feet built
13 prior to July 1, 1992. The applicable guidelines and standards
14 shall be increased by 200 percent for development in any area
15 designated by the Governor as a rural area of critical
16 economic concern pursuant to s. 288.0656 during the
17 effectiveness of the designation.~~The Administration~~
18 ~~Commission, upon the recommendation of the state land planning~~
19 ~~agency, shall implement this paragraph by rule no later than~~
20 ~~December 1, 1993. The increased guidelines and standards~~
21 ~~authorized by this paragraph shall not be implemented until~~
22 ~~the effectiveness of the rule which, among other things, shall~~
23 ~~set forth the pertinent characteristics of urban central~~
24 ~~business districts and regional activity centers.~~

25 Section 27. Subsections (15) and (19) of section
26 420.503, Florida Statutes, are amended to read:

27 420.503 Definitions.--As used in this part, the term:

28 (15) "Elderly" means persons 62 years of age or older;
29 however, this definition does not prohibit housing from being
30 deemed housing for the elderly as defined in subsection (19)
31

1 if such housing otherwise meets the requirements of subsection
2 (19).

3 (19) "Housing for the elderly" means, for purposes of
4 s. 420.5087(3)(c)2., any nonprofit housing community that is
5 financed by a mortgage loan made or insured by the United
6 States Department of Housing and Urban Development under s.
7 202, s. 202 with a s. 8 subsidy, s. 221(d)(3) or (4), or s.
8 236 of the National Housing Act, as amended, and that is
9 subject to income limitations established by the United States
10 Department of Housing and Urban Development, or any program
11 funded by the Rural Development Agency of the United States
12 Department of Agriculture and subject to income limitations
13 established by the United States Department of Agriculture. A
14 project which qualifies for an exemption under the Fair
15 Housing Act as housing for older persons as defined by s.
16 760.29(4) shall qualify as housing for the elderly for
17 purposes of s. 420.5087(3)(c)2. and for purposes of any loans
18 made under s. 420.508.In addition, if the corporation adopts
19 a qualified allocation plan pursuant to s. 42(m)(1)(B) of the
20 Internal Revenue Code or any other rules that prioritize
21 projects targeting the elderly for purposes of allocating tax
22 credits pursuant to s. 420.5099 or for purposes of the HOME
23 program under s. 420.5089, a project which qualifies for an
24 exemption under the Fair Housing Act as housing for older
25 persons as defined by s. 760.29(4) shall qualify as a project
26 targeted for the elderly, if the project satisfies the other
27 requirements set forth in this part.

28 Section 28. Subsection (39) is added to section
29 420.507, Florida Statutes, to read:

30 420.507 Powers of the corporation.--The corporation
31 shall have all the powers necessary or convenient to carry out

1 and effectuate the purposes and provisions of this part,
2 including the following powers which are in addition to all
3 other powers granted by other provisions of this part:

4 (39) To create recognition programs to honor
5 individuals, community-based development organizations, units
6 of local government, or others who have demonstrated the
7 ideals of community stewardship and increased access to
8 housing for low-income households, including their stewardship
9 in economically distressed areas. Such programs may
10 incorporate certificates of recognition by the Governor and
11 may include presentation by the Governor or his
12 representative.

13 Section 29. Paragraph (a) of subsection (1) of section
14 420.5088, Florida Statutes, is amended to read:

15 420.5088 Florida Homeownership Assistance
16 Program.--There is created the Florida Homeownership
17 Assistance Program for the purpose of assisting low-income
18 persons in purchasing a home by reducing the cost of the home
19 with below-market construction financing, by reducing the
20 amount of down payment and closing costs paid by the borrower
21 to a maximum of 5 percent of the purchase price, or by
22 reducing the monthly payment to an affordable amount for the
23 purchaser. Loans shall be made available at an interest rate
24 that does not exceed 3 percent. The balance of any loan is due
25 at closing if the property is sold or transferred.

26 (1) For loans made available pursuant to s.
27 420.507(23)(a)1. or 2.:

28 (a) The corporation may underwrite and make those
29 mortgage loans through the program to persons or families ~~who~~
30 ~~are eligible to participate in the corporation's single-family~~
31 ~~mortgage revenue bond programs and who have incomes that do~~

1 not exceed 80 percent of the state or local median income,
2 whichever is greater, adjusted for family size. ~~if the~~
3 ~~corporation determines that there is insufficient demand for~~
4 ~~such loans by persons or families who are eligible to~~
5 ~~participate in the corporation's single-family mortgage~~
6 ~~revenue bond programs, the corporation may make such mortgage~~
7 ~~loans to other persons or families who have incomes that do~~
8 ~~not exceed 80 percent of the state or local median income,~~
9 ~~whichever amount is greater.~~

10 Section 30. Subsection (11) of section 420.5092,
11 Florida Statutes, is amended to read:

12 420.5092 Florida Affordable Housing Guarantee
13 Program.--

14 (11) The maximum total amount of revenue bonds that
15 may be issued by the corporation pursuant to subsection (5) is
16 ~~\$400~~\$200 million.

17 Section 31. Subsections (2), (4), and (5) of section
18 624.5105, Florida Statutes, are amended to read:

19 624.5105 Community contribution tax credit;
20 authorization; limitations; eligibility and application
21 requirements; administration; definitions; expiration.--

22 (2) ELIGIBILITY REQUIREMENTS.--

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

25 (b) Each community contribution must be reserved
26 exclusively for use in a project as defined in s.
27 220.03(1)(t).

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

30 ~~1. A community action program;~~

31 ~~2. A community development corporation;~~

- 1 3. ~~A neighborhood housing services corporation;~~
- 2 4. ~~A local housing authority created pursuant to~~
- 3 ~~chapter 421;~~
- 4 5. ~~A community redevelopment agency created pursuant~~
- 5 ~~to s. 163.356;~~
- 6 6. ~~The Florida Industrial Development Corporation;~~
- 7 7. ~~A historic preservation district agency or~~
- 8 ~~organization;~~
- 9 8. ~~A private industry council;~~
- 10 9. ~~An enterprise zone development agency created~~
- 11 ~~pursuant to s. 290.0057; or~~
- 12 10. ~~Such other agency as the director may, from time~~
- 13 ~~to time, designate by rule.~~

14
15 In no event shall a contributing insurer have a financial
16 interest in the eligible sponsor.

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

24 (4) ADMINISTRATION.--

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

29 2. The decision of the director shall be in writing,
30 and, if approved, the proposal shall state the maximum credit
31 allowable to the insurer. A copy of the decision shall be

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

4 3. The office shall monitor all projects periodically,
5 in a manner consistent with available resources to ensure that
6 resources are utilized in accordance with this section;
7 however, each project shall be reviewed no less frequently
8 than once every 2 years.

9 4. The Office of Tourism, Trade, and Economic
10 Development shall, in consultation with the Department of
11 Community Affairs, the Florida Housing Finance Corporation,
12 and the statewide and regional housing and financial
13 intermediaries, market the availability of the community
14 contribution tax credit program to community-based
15 organizations.

16 (b) The Department of Revenue shall adopt any rules
17 necessary to ensure the orderly implementation and
18 administration of this section.

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

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

- 22 1. Cash or other liquid assets.
- 23 2. Real property.
- 24 3. Goods or inventory.
- 25 4. Other physical resources which are identified by
26 the department.

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

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

31

1 (d) "Office" means the Office of Tourism, Trade, and
2 Economic Development.

3 (e) "Project" means an activity as defined in s.
4 220.03(1)(t).~~any activity undertaken by an eligible sponsor,~~
5 ~~as defined in subsection (2), which is designed to construct,~~
6 ~~improve, or substantially rehabilitate housing or commercial,~~
7 ~~industrial, or public resources and facilities or to improve~~
8 ~~entrepreneurial and job-development opportunities for~~
9 ~~low-income persons.~~

10 Section 32. Subsection (7) is added to section
11 125.0103, Florida Statutes, to read:

12 125.0103 Ordinances and rules imposing price controls;
13 findings required; procedures.--

14 (7) Notwithstanding any other provisions of this
15 section, municipalities, counties, or other entity of local
16 government may adopt and maintain in effect any law,
17 ordinance, rule, or other measure which is adopted for the
18 purposes of increasing the supply of affordable housing using
19 land use mechanisms such as inclusionary housing ordinances.

20 Section 33. Subsection (7) is added to section
21 166.043, Florida Statutes, to read:

22 166.043 Ordinances and rules imposing price controls;
23 findings required; procedures.--

24 (1)(a) Except as hereinafter provided, no county,
25 municipality, or other entity of local government shall adopt
26 or maintain in effect an ordinance or a rule which has the
27 effect of imposing price controls upon a lawful business
28 activity which is not franchised by, owned by, or under
29 contract with, the governmental agency, unless specifically
30 provided by general law.

31

1 (b) The provisions of this section shall not prevent
2 the enactment by local governments of public service rates
3 otherwise authorized by law, including water, sewer, solid
4 waste, public transportation, taxicab, or port rates, rates
5 for towing of vehicles from or immobilization of vehicles on
6 private property, or rates for removal and storage of wrecked
7 or disabled vehicles from an accident scene or the removal and
8 storage of vehicles in the event the owner or operator is
9 incapacitated, unavailable, leaves the procurement of wrecker
10 service to the law enforcement officer at the scene, or
11 otherwise does not consent to the removal of the vehicle.

12 (c) Counties must establish maximum rates which may be
13 charged on the towing of vehicles from or immobilization of
14 vehicles on private property, removal and storage of wrecked
15 or disabled vehicles from an accident scene or for the removal
16 and storage of vehicles, in the event the owner or operator is
17 incapacitated, unavailable, leaves the procurement of wrecker
18 service to the law enforcement officer at the scene, or
19 otherwise does not consent to the removal of the vehicle.
20 However, if a municipality chooses to enact an ordinance
21 establishing the maximum fees for the towing or immobilization
22 of vehicles as described in paragraph (b), the county's
23 ordinance established under s. 125.0103 shall not apply within
24 such municipality.

25 (2) No law, ordinance, rule, or other measure which
26 would have the effect of imposing controls on rents shall be
27 adopted or maintained in effect except as provided herein and
28 unless it is found and determined, as hereinafter provided,
29 that such controls are necessary and proper to eliminate an
30 existing housing emergency which is so grave as to constitute
31 a serious menace to the general public.

1 (3) Any law, ordinance, rule, or other measure which
2 has the effect of imposing controls on rents shall terminate
3 and expire within 1 year and shall not be extended or renewed
4 except by the adoption of a new measure meeting all the
5 requirements of this section.

6 (4) Notwithstanding any other provisions of this
7 section, no controls shall be imposed on rents for any
8 accommodation used or offered for residential purposes as a
9 seasonal or tourist unit, as a second housing unit, or on
10 rents for dwelling units located in luxury apartment
11 buildings. For the purposes of this section, a luxury
12 apartment building is one wherein on January 1, 1977, the
13 aggregate rent due on a monthly basis from all dwelling units
14 as stated in leases or rent lists existing on that date
15 divided by the number of dwelling units exceeds \$250.

16 (5) No municipality, county, or other entity of local
17 government shall adopt or maintain in effect any law,
18 ordinance, rule, or other measure which would have the effect
19 of imposing controls on rents unless:

20 (a) Such measure is duly adopted by the governing body
21 of such entity of local government, after notice and public
22 hearing, in accordance with all applicable provisions of the
23 Florida and United States Constitutions, the charter or
24 charters governing such entity of local government, this
25 section, and any other applicable laws.

26 (b) Such governing body makes and recites in such
27 measure its findings establishing the existence in fact of a
28 housing emergency so grave as to constitute a serious menace
29 to the general public and that such controls are necessary and
30 proper to eliminate such grave housing emergency.

31

1 (c) Such measure is approved by the voters in such
2 municipality, county, or other entity of local government.

3 (6) In any court action brought to challenge the
4 validity of rent control imposed pursuant to the provisions of
5 this section, the evidentiary effect of any findings or
6 recitations required by subsection (5) shall be limited to
7 imposing upon any party challenging the validity of such
8 measure the burden of going forward with the evidence, and the
9 burden of proof (that is, the risk of nonpersuasion) shall
10 rest upon any party seeking to have the measure upheld.

11 (7) Notwithstanding any other provisions of this
12 section, municipalities, counties, or other entity of local
13 government may adopt and maintain in effect any law,
14 ordinance, rule, or other measure which is adopted for the
15 purposes of increasing the supply of affordable housing using
16 land use mechanisms such as inclusionary housing ordinances.

17 Section 34. Paragraph (b) of subsection (1) of section
18 336.025, F.S., is amended to read:

19 336.025 County transportation system; levy of local
20 option fuel tax on motor fuel and diesel fuel.--

21 (1)

22 (b) In addition to other taxes allowed by law, there
23 may be levied as provided in s. 206.41(1)(e) a 1-cent, 2-cent,
24 3-cent, 4-cent, or 5-cent local option fuel tax upon every
25 gallon of motor fuel sold in a county and taxed under the
26 provisions of part I of chapter 206. The tax shall be levied
27 by an ordinance adopted by a majority plus one vote of the
28 membership of the governing body of the county or by
29 referendum.

30 1. The tax shall be levied before July 1, to be
31 effective January 1 of the following year. However, levies of

1 the tax which were in effect on July 1, 1996, and which expire
2 on August 31 of any year may be reimposed effective September
3 1 of the year of expiration.

4 2. The county may, prior to levy of the tax, establish
5 by interlocal agreement with one or more municipalities
6 located therein, representing a majority of the population of
7 the incorporated area within the county, a distribution
8 formula for dividing the entire proceeds of the tax among
9 county government and all eligible municipalities within the
10 county. If no interlocal agreement is adopted before the
11 effective date of the tax, tax revenues shall be distributed
12 pursuant to the provisions of subsection (4). If no
13 interlocal agreement exists, a new interlocal agreement may be
14 established prior to June 1 of any year pursuant to this
15 subparagraph. However, any interlocal agreement agreed to
16 under this subparagraph after the initial levy of the tax or
17 change in the tax rate authorized in this section shall under
18 no circumstances materially or adversely affect the rights of
19 holders of outstanding bonds which are backed by taxes
20 authorized by this paragraph, and the amounts distributed to
21 the county government and each municipality shall not be
22 reduced below the amount necessary for the payment of
23 principal and interest and reserves for principal and interest
24 as required under the covenants of any bond resolution
25 outstanding on the date of establishment of the new interlocal
26 agreement.

27 3. County and municipal governments shall utilize
28 moneys received pursuant to this paragraph only for
29 transportation expenditures needed to meet the requirements of
30 the capital improvements element of an adopted comprehensive
31 plan. For purposes of this paragraph, expenditures for the

1 construction of new roads, the reconstruction or resurfacing
2 of existing paved roads, or the paving of existing graded
3 roads ~~when undertaken in part to relieve or mitigate existing~~
4 ~~or potential adverse environmental impacts,~~ shall be deemed to
5 increase capacity and such projects shall be included in the
6 capital improvements element of an adopted comprehensive plan.
7 Expenditures for purposes of this paragraph shall not include
8 routine maintenance of roads.

9 Section 35. Except as otherwise expressly provided in
10 this act, this act shall take effect July 1, 2001.

11
12 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
13 COMMITTEE SUBSTITUTE FOR
14 CS/SB 460

15 This committee substitute:

- 16 1) Triples the guidelines and standards for certain
17 developments of regional impact in a rural area of
critical economic concern,
- 18 2) Allows local governments to enact ordinances for the
19 purpose of increasing the supply of affordable housing
using land use mechanisms,
- 20 3) Raises the minimum cost of business equipment eligible
21 for enterprise zone tax credits to \$5,000,
- 22 4) Provides enhanced wage credits for hiring a participant
in the welfare transition program,
- 23 5) Deletes certain educational programs from eligibility
24 for community contribution tax credits,
- 25 6) Restores the current law limit of \$10 million for the
community contributions tax credit program,
- 26 7) Allows local option gas tax revenue to be used for
27 paving existed graded roads, and
- 28 8) Amends the Florida Affordable Housing Guarantee Program
29 to expand the types of projects that qualify for the
30 program.
31