

By the Committee on Appropriations; and Senators Clary and
Crist

309-2267-02

1 A bill to be entitled
2 An act relating to economic development;
3 amending s. 288.0655, F.S.; providing for
4 additional uses of moneys in the Rural
5 Infrastructure Fund; amending s. 288.095, F.S.;
6 revising terminology relating to certain
7 incentive payment schedules; revising the due
8 date and content for an annual report on
9 incentives and reassigning responsibility for
10 such report to Enterprise Florida, Inc.;
11 amending s. 288.1045, F.S.; revising
12 definitions; revising the required elements of
13 a tax refund agreement; providing an exemption
14 from mandatory loss of tax refund eligibility
15 and decertification resulting from agreement
16 breach in cases of uncontrollable economic
17 factors; prescribing a deadline for applying
18 for tax refunds; revising conditions and
19 procedures governing applications for tax
20 refunds; revising provisions relating to the
21 order authorizing a tax refund; authorizing the
22 office to grant extensions to certain
23 application and notification deadlines;
24 revising conditions under which a prorated tax
25 refund will be approved; providing for
26 calculation of such prorated refund; specifying
27 that the section does not create a presumption
28 a claim will be approved and paid; revising the
29 agencies with which the office may verify
30 information and to which the office may provide
31 information; expanding purposes for which the

1 office may seek assistance from certain
2 entities; amending s. 288.106, F.S., relating
3 to the tax refund program for qualified target
4 industry businesses; revising requirements for
5 application for certification as such business
6 with respect to the number of current and new
7 jobs at the business and projections by the
8 Office of Tourism, Trade, and Economic
9 Development of refunds based thereon; revising
10 requirements relating to the tax refund
11 agreement with respect to job creation and the
12 time for filing of claims for refund; providing
13 for an exemption from mandatory loss of tax
14 refund eligibility and decertification
15 resulting from agreement breach in cases of
16 uncontrollable economic factors; revising
17 provisions relating to annual claims for
18 refund; authorizing an extension of time for
19 signing the tax refund agreement; providing an
20 application deadline; revising provisions
21 relating to the order authorizing a tax refund;
22 revising conditions under which a prorated tax
23 refund will be approved; providing for
24 calculation of such prorated tax refund;
25 specifying that the section does not create a
26 presumption that a claim will be approved and
27 paid; revising the agencies with which the
28 office may verify information and to which the
29 office may provide information; expanding
30 purposes for which the office may seek
31 assistance from certain entities; specifying

1 that certain appropriations may not be used for
2 any purpose other than the payment of specified
3 tax refunds; amending s. 213.053, F.S.;
4 authorizing the Department of Revenue to
5 provide certain information to the office;
6 providing an effective date.

7
8 Be It Enacted by the Legislature of the State of Florida:

9
10 Section 1. Paragraphs (a) and (b) of subsection (2) of
11 section 288.0655, Florida Statutes, are amended to read:

12 288.0655 Rural Infrastructure Fund.--

13 (2)(a) Funds appropriated by the Legislature shall be
14 distributed by the office through ~~a grant~~ programs ~~program~~
15 that maximize ~~maximizes~~ the use of federal, local, and private
16 resources, including, but not limited to, those available
17 under the Small Cities Community Development Block Grant
18 Program.

19 (b) To facilitate access of rural communities and
20 rural areas of critical economic concern as defined by the
21 Rural Economic Development Initiative to infrastructure
22 funding programs of the Federal Government, such as those
23 offered by the United States Department of Agriculture and the
24 United States Department of Commerce, and state programs,
25 including those offered by Rural Economic Development
26 Initiative agencies, and to facilitate local government or
27 private infrastructure funding efforts,the office may award
28 ~~grants to applicants for such federal programs~~ for up to 30
29 percent of the total infrastructure project cost. Eligible
30 projects must be related to specific job-creation or
31 job-retention ~~job-creating~~ opportunities. Eligible projects

1 may also include improving any inadequate infrastructure that
2 has resulted in regulatory action that prohibits economic or
3 community growth or reducing the costs to community users of
4 proposed infrastructure improvements that exceed such costs in
5 comparable communities. Eligible uses of funds shall include
6 improvements to public infrastructure for industrial or
7 commercial sites and upgrades to or development of public
8 tourism infrastructure. Authorized infrastructure may include
9 the following public or public-private partnership facilities:
10 storm water systems; telecommunications facilities; roads or
11 other remedies to transportation impediments; nature-based
12 tourism facilities; or other physical requirements necessary
13 to facilitate tourism, trade, and economic development
14 activities in the community. Authorized infrastructure may
15 also include publicly owned self-powered nature-based tourism
16 facilities and additions to the distribution facilities of the
17 existing natural gas utility as defined in s. 366.04(3)(c),
18 the existing electric utility as defined in s. 366.02, or the
19 existing water or wastewater utility as defined in s.
20 367.021(12), or any other existing water or wastewater
21 facility, which owns a gas or electric distribution system or
22 a water or wastewater system in this state where:

23 1. A contribution-in-aid of construction is required
24 to serve public or public-private partnership facilities under
25 the tariffs of any natural gas, electric, water, or wastewater
26 utility as defined herein; and

27 2. Such utilities as defined herein are willing and
28 able to provide such service.

29 Section 2. Paragraphs (b) and (c) of subsection (3) of
30 section 288.095, Florida Statutes, are amended to read:

31 288.095 Economic Development Trust Fund.--

1 (3)

2 (b) The total amount of tax refund claims approved for
3 payment by the Office of Tourism, Trade, and Economic
4 Development based on actual project performance may not exceed
5 the amount appropriated to the Economic Development Incentives
6 Account for such purposes for the fiscal year. In the event
7 the Legislature does not appropriate an amount sufficient to
8 satisfy estimates ~~projections~~ by the office for tax refunds
9 under ss. 288.1045 and 288.106 in a fiscal year, the Office of
10 Tourism, Trade, and Economic Development shall, not later than
11 July 15 of such year, determine the proportion of each refund
12 claim which shall be paid by dividing the amount appropriated
13 for tax refunds for the fiscal year by the estimated ~~projected~~
14 total of refund claims for the fiscal year. The amount of each
15 claim for a tax refund shall be multiplied by the resulting
16 quotient. If, after the payment of all such refund claims,
17 funds remain in the Economic Development Incentives Account
18 for tax refunds, the office shall recalculate the proportion
19 for each refund claim and adjust the amount of each claim
20 accordingly.

21 (c) By December 31 ~~September 30~~ of each year,
22 Enterprise Florida, Inc., the Office of Tourism, Trade, and
23 ~~Economic Development~~ shall submit a complete and detailed
24 report to the Governor, the President of the Senate, the
25 Speaker of the House of Representatives, and the director of
26 the Office of Tourism, Trade, and Economic Development ~~board~~
27 ~~of directors of Enterprise Florida, Inc., created under part~~
28 ~~VII of this chapter~~, of all applications received,
29 recommendations made to the Office of Tourism, Trade, and
30 Economic Development, final decisions issued, tax refund
31 agreements executed, and tax refunds paid or other payments

1 made under all programs funded out of the Economic Development
2 Incentives Account, including analyses of benefits and costs,
3 types of projects supported, and employment and investment
4 created. Enterprise Florida, Inc.,~~The Office of Tourism,~~
5 ~~Trade, and Economic Development~~ shall also include a separate
6 analysis of the impact of such tax refunds on state enterprise
7 zones designated pursuant to s. 290.0065, rural communities,
8 brownfield areas, and distressed urban communities. By
9 ~~December 1 of each year, the board of directors of Enterprise~~
10 ~~Florida, Inc., shall review and comment on the report, and the~~
11 ~~board shall submit the report, together with the comments of~~
12 ~~the board, to the Governor, the President of the Senate, and~~
13 ~~the Speaker of the House of Representatives.~~The report must
14 discuss whether the authority and moneys appropriated by the
15 Legislature to the Economic Development Incentives Account
16 were managed and expended in a prudent, fiducially sound
17 manner. The Office of Tourism, Trade, and Economic Development
18 shall assist Enterprise Florida, Inc., in the collection of
19 data related to business performance and incentive payments.

20 Section 3. Section 288.1045, Florida Statutes, is
21 amended to read:

22 288.1045 Qualified defense contractor tax refund
23 program.--

24 (1) DEFINITIONS.--As used in this section:

25 (a) "Consolidation of a Department of Defense
26 contract" means the consolidation of one or more of an
27 applicant's facilities under one or more Department of Defense
28 contracts either from outside this state or from inside and
29 outside this state, into one or more of the applicant's
30 facilities inside this state.

31

1 (b) "Average wage in the area" means the average of
2 all wages and salaries in the state, the county, or in the
3 standard metropolitan area in which the business unit is
4 located.

5 (c) "Applicant" means any business entity that holds a
6 valid Department of Defense contract or any business entity
7 that is a subcontractor under a valid Department of Defense
8 contract or any business entity that holds a valid contract
9 for the reuse of a defense-related facility, including all
10 members of an affiliated group of corporations as defined in
11 s. 220.03(1)(b).

12 (d) "Office" means the Office of Tourism, Trade, and
13 Economic Development.

14 (e) "Department of Defense contract" means a
15 competitively bid Department of Defense contract or
16 subcontract or a competitively bid federal agency contract or
17 subcontract issued on behalf of the Department of Defense for
18 manufacturing, assembling, fabricating, research, development,
19 or design with a duration of 2 or more years, but excluding
20 any contract to provide goods, improvements to real or
21 tangible property, or services directly to or for any
22 particular military base or installation in this state. The
23 term includes contracts for products for military use, which
24 contracts are approved by the United States Department of
25 Defense or the United States Department of State.

26 (f) "New Department of Defense contract" means a
27 Department of Defense contract entered into after the date
28 application for certification as a qualified applicant is made
29 and after January 1, 1994.

30 (g) "Jobs" means full-time equivalent positions,
31 consistent with the use of such terms by the Agency for

1 Workforce Innovation ~~Department of Labor and Employment~~
2 ~~Security~~ for the purpose of unemployment compensation tax,
3 resulting directly from a project in this state. This number
4 does not include temporary construction jobs involved with the
5 construction of facilities for the project.

6 (h) "Nondefense production jobs" means employment
7 exclusively for activities that, directly or indirectly, are
8 unrelated to the Department of Defense.

9 (i) "Project" means any business undertaking in this
10 state under a new Department of Defense contract,
11 consolidation of a Department of Defense contract, or
12 conversion of defense production jobs over to nondefense
13 production jobs or reuse of defense-related facilities.

14 (j) "Qualified applicant" means an applicant that has
15 been approved by the director to be eligible for tax refunds
16 pursuant to this section.

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

19 (l) "Taxable year" means the same as in s.
20 220.03(1)(z).

21 (m) "Fiscal year" means the fiscal year of the state.

22 (n) "Business unit" means an employing unit, as
23 defined in s. 443.036, that is registered with the Agency for
24 Workforce Innovation ~~Department of Labor and Employment~~
25 ~~Security~~ for unemployment compensation purposes or means a
26 subcategory or division of an employing unit that is accepted
27 by the Agency for Workforce Innovation ~~Department of Labor and~~
28 ~~Employment Security~~ as a reporting unit.

29 (o) "Local financial support" means funding from local
30 sources, public or private, which is paid to the Economic
31 Development Trust Fund and which is equal to 20 percent of the

1 annual tax refund for a qualified applicant. Local financial
2 support may include excess payments made to a utility company
3 under a designated program to allow decreases in service by
4 the utility company under conditions, regardless of when
5 application is made. A qualified applicant may not provide,
6 directly or indirectly, more than 5 percent of such funding in
7 any fiscal year. The sources of such funding may not include,
8 directly or indirectly, state funds appropriated from the
9 General Revenue Fund or any state trust fund, excluding tax
10 revenues shared with local governments pursuant to law.

11 (p) "Contract for reuse of a defense-related facility"
12 means a contract with a duration of 2 or more years for the
13 use of a facility for manufacturing, assembling, fabricating,
14 research, development, or design of tangible personal
15 property, but excluding any contract to provide goods,
16 improvements to real or tangible property, or services
17 directly to or for any particular military base or
18 installation in this state. Such facility must be located
19 within a port, as defined in s. 313.21, and have been occupied
20 by a business entity that held a valid Department of Defense
21 contract or occupied by any branch of the Armed Forces of the
22 United States, within 1 year of any contract being executed
23 for the reuse of such facility. A contract for reuse of a
24 defense-related facility may not include any contract for
25 reuse of such facility for any Department of Defense contract
26 for manufacturing, assembling, fabricating, research,
27 development, or design.

28 (q) "Local financial support exemption option" means
29 the option to exercise an exemption from the local financial
30 support requirement available to any applicant whose project
31 is located in a county designated by the Rural Economic

1 Development Initiative, if the county commissioners of the
2 county in which the project will be located adopt a resolution
3 requesting that the applicant's project be exempt from the
4 local financial support requirement. Any applicant that
5 exercises this option is not eligible for more than 80 percent
6 of the total tax refunds allowed such applicant under this
7 section.

8 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.--

9 (a) There shall be allowed, from the Economic
10 Development Trust Fund, a refund to a qualified applicant for
11 the amount of eligible taxes certified by the director which
12 were paid by such qualified applicant. The total amount of
13 refunds for all fiscal years for each qualified applicant
14 shall be determined pursuant to subsection (3). The annual
15 amount of a refund to a qualified applicant shall be
16 determined pursuant to subsection (5).

17 (b) A qualified applicant may not be qualified for any
18 project to receive more than \$5,000 times the number of jobs
19 provided in the tax refund agreement pursuant to subparagraph
20 (4)(a)1. A qualified applicant may not receive refunds of more
21 than 25 percent of the total tax refunds provided in the tax
22 refund agreement pursuant to subparagraph (4)(a)1. in any
23 fiscal year, provided that no qualified applicant may receive
24 more than \$2.5 million in tax refunds pursuant to this section
25 in any fiscal year.

26 (c) A qualified applicant may not receive more than
27 \$7.5 million in tax refunds pursuant to this section in all
28 fiscal years.

29 (d) Contingent upon an annual appropriation by the
30 Legislature, the director may approve not more in tax refunds
31 than the amount appropriated to the Economic Development Trust

1 Fund for tax refunds, for a fiscal year pursuant to subsection
2 (5) and s. 288.095.

3 (e) For the first 6 months of each fiscal year, the
4 director shall set aside 30 percent of the amount appropriated
5 for refunds pursuant to this section by the Legislature to
6 provide tax refunds only to qualified applicants who employ
7 500 or fewer full-time employees in this state. Any
8 unencumbered funds remaining undisbursed from this set-aside
9 at the end of the 6-month period may be used to provide tax
10 refunds for any qualified applicants pursuant to this section.

11 (f) After entering into a tax refund agreement
12 pursuant to subsection (4), a qualified applicant may receive
13 refunds from the Economic Development Trust Fund for the
14 following taxes due and paid by the qualified applicant
15 beginning with the applicant's first taxable year that begins
16 after entering into the agreement:

17 1. Taxes on sales, use, and other transactions paid
18 pursuant to chapter 212.

19 2. Corporate income taxes paid pursuant to chapter
20 220.

21 3. Intangible personal property taxes paid pursuant to
22 chapter 199.

23 4. Emergency excise taxes paid pursuant to chapter
24 221.

25 5. Excise taxes paid on documents pursuant to chapter
26 201.

27 6. Ad valorem taxes paid, as defined in s.
28 220.03(1)(a) on June 1, 1996.

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30 However, a qualified applicant may not receive a tax refund
31 pursuant to this section for any amount of credit, refund, or

1 exemption granted such contractor for any of such taxes. If a
2 refund for such taxes is provided by the office, which taxes
3 are subsequently adjusted by the application of any credit,
4 refund, or exemption granted to the qualified applicant other
5 than that provided in this section, the qualified applicant
6 shall reimburse the Economic Development Trust Fund for the
7 amount of such credit, refund, or exemption. A qualified
8 applicant must notify and tender payment to the office within
9 20 days after receiving a credit, refund, or exemption, other
10 than that provided in this section.

11 (g) Any qualified applicant who fraudulently claims
12 this refund is liable for repayment of the refund to the
13 Economic Development Trust Fund plus a mandatory penalty of
14 200 percent of the tax refund which shall be deposited into
15 the General Revenue Fund. Any qualified applicant who
16 fraudulently claims this refund commits a felony of the third
17 degree, punishable as provided in s. 775.082, s. 775.083, or
18 s. 775.084.

19 (h) Funds made available pursuant to this section may
20 not be expended in connection with the relocation of a
21 business from one community to another community in this state
22 unless the Office of Tourism, Trade, and Economic Development
23 determines that without such relocation the business will move
24 outside this state or determines that the business has a
25 compelling economic rationale for the relocation which creates
26 additional jobs.

27 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
28 DETERMINATION.--

29 (a) To apply for certification as a qualified
30 applicant pursuant to this section, an applicant must file an
31 application with the office which satisfies the requirements

1 of paragraphs (b) and (e), paragraphs (c) and (e), or
2 paragraphs (d) and (e). An applicant may not apply for
3 certification pursuant to this section after a proposal has
4 been submitted for a new Department of Defense contract, after
5 the applicant has made the decision to consolidate an existing
6 Department of Defense contract in this state for which such
7 applicant is seeking certification, or after the applicant has
8 made the decision to convert defense production jobs to
9 nondefense production jobs for which such applicant is seeking
10 certification.

11 (b) Applications for certification based on the
12 consolidation of a Department of Defense contract or a new
13 Department of Defense contract must be submitted to the office
14 as prescribed by the office and must include, but are not
15 limited to, the following information:

16 1. The applicant's federal employer identification
17 number, the applicant's Florida sales tax registration number,
18 and a notarized signature of an officer of the applicant.

19 2. The permanent location of the manufacturing,
20 assembling, fabricating, research, development, or design
21 facility in this state at which the project is or is to be
22 located.

23 3. The Department of Defense contract numbers of the
24 contract to be consolidated, the new Department of Defense
25 contract number, or the "RFP" number of a proposed Department
26 of Defense contract.

27 4. The date the contract was executed or is expected
28 to be executed, and the date the contract is due to expire or
29 is expected to expire.

30 5. The commencement date for project operations under
31 the contract in this state.

1 6. The number of net new full-time equivalent Florida
2 jobs included in this state which are or will be dedicated to
3 the project as of December 31 of ~~during the year~~ and the
4 average wage of such jobs.

5 7. The total number of full-time equivalent employees
6 employed by the applicant in this state.

7 8. The percentage of the applicant's gross receipts
8 derived from Department of Defense contracts during the 5
9 taxable years immediately preceding the date the application
10 is submitted.

11 9. The amount of:

12 a. Taxes on sales, use, and other transactions paid
13 pursuant to chapter 212;

14 b. Corporate income taxes paid pursuant to chapter
15 220;

16 c. Intangible personal property taxes paid pursuant to
17 chapter 199;

18 d. Emergency excise taxes paid pursuant to chapter
19 221;

20 e. Excise taxes paid on documents pursuant to chapter
21 201; and

22 f. Ad valorem taxes paid
23

24 during the 5 fiscal years immediately preceding the date of
25 the application, and the projected amounts of such taxes to be
26 due in the 3 fiscal years immediately following the date of
27 the application.

28 10. The estimated amount of tax refunds to be claimed
29 for ~~in~~ each fiscal year.

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1 11. A brief statement concerning the applicant's need
2 for tax refunds, and the proposed uses of such refunds by the
3 applicant.

4 12. A resolution adopted by the county commissioners
5 of the county in which the project will be located, which
6 recommends the applicant be approved as a qualified applicant,
7 and which indicates that the necessary commitments of local
8 financial support for the applicant exist. Prior to the
9 adoption of the resolution, the county commission may review
10 the proposed public or private sources of such support and
11 determine whether the proposed sources of local financial
12 support can be provided or, for any applicant whose project is
13 located in a county designated by the Rural Economic
14 Development Initiative, a resolution adopted by the county
15 commissioners of such county requesting that the applicant's
16 project be exempt from the local financial support
17 requirement.

18 13. Any additional information requested by the
19 office.

20 (c) Applications for certification based on the
21 conversion of defense production jobs to nondefense production
22 jobs must be submitted to the office as prescribed by the
23 office and must include, but are not limited to, the following
24 information:

25 1. The applicant's federal employer identification
26 number, the applicant's Florida sales tax registration number,
27 and a notarized signature of an officer of the applicant.

28 2. The permanent location of the manufacturing,
29 assembling, fabricating, research, development, or design
30 facility in this state at which the project is or is to be
31 located.

1 3. The Department of Defense contract numbers of the
2 contract under which the defense production jobs will be
3 converted to nondefense production jobs.

4 4. The date the contract was executed, and the date
5 the contract is due to expire or is expected to expire, or was
6 canceled.

7 5. The commencement date for the nondefense production
8 operations in this state.

9 6. The number of net new full-time equivalent Florida
10 jobs included in ~~this state which are or will be dedicated to~~
11 the nondefense production project as of December 31 of each
12 ~~during the~~ year and the average wage of such jobs.

13 7. The total number of full-time equivalent employees
14 employed by the applicant in this state.

15 8. The percentage of the applicant's gross receipts
16 derived from Department of Defense contracts during the 5
17 taxable years immediately preceding the date the application
18 is submitted.

19 9. The amount of:

20 a. Taxes on sales, use, and other transactions paid
21 pursuant to chapter 212;

22 b. Corporate income taxes paid pursuant to chapter
23 220;

24 c. Intangible personal property taxes paid pursuant to
25 chapter 199;

26 d. Emergency excise taxes paid pursuant to chapter
27 221;

28 e. Excise taxes paid on documents pursuant to chapter
29 201; and

30 f. Ad valorem taxes paid
31

1 during the 5 fiscal years immediately preceding the date of
2 the application, and the projected amounts of such taxes to be
3 due in the 3 fiscal years immediately following the date of
4 the application.

5 10. The estimated amount of tax refunds to be claimed
6 for ~~in~~ each fiscal year.

7 11. A brief statement concerning the applicant's need
8 for tax refunds, and the proposed uses of such refunds by the
9 applicant.

10 12. A resolution adopted by the county commissioners
11 of the county in which the project will be located, which
12 recommends the applicant be approved as a qualified applicant,
13 and which indicates that the necessary commitments of local
14 financial support for the applicant exist. Prior to the
15 adoption of the resolution, the county commission may review
16 the proposed public or private sources of such support and
17 determine whether the proposed sources of local financial
18 support can be provided or, for any applicant whose project is
19 located in a county designated by the Rural Economic
20 Development Initiative, a resolution adopted by the county
21 commissioners of such county requesting that the applicant's
22 project be exempt from the local financial support
23 requirement.

24 13. Any additional information requested by the
25 office.

26 (d) Applications for certification based on a contract
27 for reuse of a defense-related facility must be submitted to
28 the office as prescribed by the office and must include, but
29 are not limited to, the following information:
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1 1. The applicant's Florida sales tax registration
2 number and a notarized signature of an officer of the
3 applicant.

4 2. The permanent location of the manufacturing,
5 assembling, fabricating, research, development, or design
6 facility in this state at which the project is or is to be
7 located.

8 3. The business entity holding a valid Department of
9 Defense contract or branch of the Armed Forces of the United
10 States that previously occupied the facility, and the date
11 such entity last occupied the facility.

12 4. A copy of the contract to reuse the facility, or
13 such alternative proof as may be prescribed by the office that
14 the applicant is seeking to contract for the reuse of such
15 facility.

16 5. The date the contract to reuse the facility was
17 executed or is expected to be executed, and the date the
18 contract is due to expire or is expected to expire.

19 6. The commencement date for project operations under
20 the contract in this state.

21 7. The number of net new full-time equivalent Florida
22 jobs included ~~in this state which are or will be dedicated to~~
23 ~~the project~~ as of December 31 of each ~~during the~~ year and the
24 average wage of such jobs.

25 8. The total number of full-time equivalent employees
26 employed by the applicant in this state.

27 9. The amount of:

28 a. Taxes on sales, use, and other transactions paid
29 pursuant to chapter 212.

30 b. Corporate income taxes paid pursuant to chapter
31 220.

- 1 c. Intangible personal property taxes paid pursuant to
2 chapter 199.
- 3 d. Emergency excise taxes paid pursuant to chapter
4 221.
- 5 e. Excise taxes paid on documents pursuant to chapter
6 201.
- 7 f. Ad valorem taxes paid during the 5 fiscal years
8 immediately preceding the date of the application, and the
9 projected amounts of such taxes to be due in the 3 fiscal
10 years immediately following the date of the application.
- 11 10. The estimated amount of tax refunds to be claimed
12 for ~~in~~ each fiscal year.
- 13 11. A brief statement concerning the applicant's need
14 for tax refunds, and the proposed uses of such refunds by the
15 applicant.
- 16 12. A resolution adopted by the county commissioners
17 of the county in which the project will be located, which
18 recommends the applicant be approved as a qualified applicant,
19 and which indicates that the necessary commitments of local
20 financial support for the applicant exist. Prior to the
21 adoption of the resolution, the county commission may review
22 the proposed public or private sources of such support and
23 determine whether the proposed sources of local financial
24 support can be provided or, for any applicant whose project is
25 located in a county designated by the Rural Economic
26 Development Initiative, a resolution adopted by the county
27 commissioners of such county requesting that the applicant's
28 project be exempt from the local financial support
29 requirement.
- 30 13. Any additional information requested by the
31 office.

1 (e) To qualify for review by the office, the
2 application of an applicant under paragraph (b), paragraph
3 (c), or paragraph (d) must, at a minimum, establish the
4 following to the satisfaction of the office:

5 1. The jobs proposed to be provided under the
6 application, pursuant to subparagraph (b)6. or subparagraph
7 (c)6., must pay an estimated annual average wage equaling at
8 least 115 percent of the average wage in the area where the
9 project is to be located.

10 2. The consolidation of a Department of Defense
11 contract must result in a net increase of at least 25 percent
12 in the number of jobs at the applicant's facilities in this
13 state or the addition of at least 80 jobs at the applicant's
14 facilities in this state.

15 3. The conversion of defense production jobs to
16 nondefense production jobs must result in net increases in
17 nondefense employment at the applicant's facilities in this
18 state.

19 4. The Department of Defense contract cannot allow the
20 business to include the costs of relocation or retooling in
21 its base as allowable costs under a cost-plus, or similar,
22 contract.

23 5. A business unit of the applicant must have derived
24 not less than 60 ~~70~~ percent of its gross receipts in this
25 state from Department of Defense contracts over the
26 applicant's last fiscal year, and must have derived not less
27 than an average of 60 ~~80~~ percent of its gross receipts in this
28 state from Department of Defense contracts over the 5 years
29 preceding the date an application is submitted pursuant to
30 this section. This subparagraph does not apply to any
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1 application for certification based on a contract for reuse of
2 a defense-related facility.

3 6. The reuse of a defense-related facility must result
4 in the creation of at least 100 jobs at such facility.

5 (f) Each application meeting the requirements of
6 paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs
7 (d) and (e) must be submitted to the office for a
8 determination of eligibility. The office shall review,
9 evaluate, and score each application based on, but not limited
10 to, the following criteria:

11 1. Expected contributions to the state strategic
12 economic development plan adopted by Enterprise Florida, Inc.,
13 taking into account the extent to which the project
14 contributes to the state's high-technology base, and the
15 long-term impact of the project and the applicant on the
16 state's economy.

17 2. The economic benefit of the jobs created or
18 retained by the project in this state, taking into account the
19 cost and average wage of each job created or retained, and the
20 potential risk to existing jobs.

21 3. The amount of capital investment to be made by the
22 applicant in this state.

23 4. The local commitment and support for the project
24 and applicant.

25 5. The impact of the project on the local community,
26 taking into account the unemployment rate for the county where
27 the project will be located.

28 6. The dependence of the local community on the
29 defense industry.

30 7. The impact of any tax refunds granted pursuant to
31 this section on the viability of the project and the

1 probability that the project will occur in this state if such
2 tax refunds are granted to the applicant, taking into account
3 the expected long-term commitment of the applicant to economic
4 growth and employment in this state.

5 8. The length of the project, or the expected
6 long-term commitment to this state resulting from the project.

7 (g) The office shall forward its written findings and
8 evaluation on each application meeting the requirements of
9 paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs
10 (d) and (e) to the director within 60 calendar days after ~~of~~
11 receipt of a complete application. The office shall notify
12 each applicant when its application is complete, and when the
13 60-day period begins. In its written report to the director,
14 the office shall specifically address each of the factors
15 specified in paragraph (f), and shall make a specific
16 assessment with respect to the minimum requirements
17 established in paragraph (e). The office shall include in its
18 report projections of the tax refunds the applicant would be
19 eligible to receive ~~refund claims that will be sought by the~~
20 ~~applicant~~ in each fiscal year based on the creation and
21 maintenance of the net new Florida jobs specified in
22 subparagraphs (b)6., (c)6., and (d)7., as of December 31 of
23 the preceding state fiscal year ~~information submitted in the~~
24 ~~application.~~

25 (h) Within 30 days after receipt of the office's
26 findings and evaluation, the director shall enter a final
27 order that either approves or disapproves an application. The
28 decision must be in writing and provide the justifications for
29 either approval or disapproval. If appropriate, the director
30 shall enter into a written agreement with the qualified
31 applicant pursuant to subsection (4).

1 (i) The director may not enter any final order that
2 certifies any applicant as a qualified applicant when the
3 value of tax refunds to be included in that final order
4 exceeds the available amount of authority to enter final
5 orders as determined in s. 288.095(3). A final order that
6 approves an application must specify the maximum amount of a
7 tax refund that is to be available to the contractor in each
8 fiscal year and the total amount of tax refunds for all fiscal
9 years.

10 (j) This section does not create a presumption that an
11 applicant should receive any tax refunds under this section.

12 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND
13 AGREEMENT.--

14 (a) A qualified applicant shall enter into a written
15 agreement with the office containing, but not limited to, the
16 following:

17 1. The total number of full-time equivalent jobs in
18 this state that are or will be dedicated to the qualified
19 applicant's project, the average wage of such jobs, the
20 definitions that will apply for measuring the achievement of
21 these terms during the pendency of the agreement, and a time
22 schedule or plan for when such jobs will be in place and
23 active in this state. ~~This information must be the same as the~~
24 ~~information contained in the application submitted by the~~
25 ~~contractor pursuant to subsection (3).~~

26 2. The maximum amount of a refund that the qualified
27 applicant is eligible to receive for in each fiscal year,
28 based on the jobs creation or retention and maintenance
29 schedule specified in subparagraph 1.

30 3. An agreement with the office allowing the office to
31 review and verify the financial and personnel records of the

1 qualified applicant to ascertain whether the qualified
2 applicant is complying with the requirements of this section.

3 4. The date by ~~after~~ which, in each fiscal year, the
4 qualified applicant may file a ~~an annual~~ claim pursuant to
5 subsection (5) to be considered to receive a tax refund in the
6 following fiscal year.

7 5. That local financial support shall be annually
8 available and will be paid to the Economic Development Trust
9 Fund.

10 (b) Compliance with the terms and conditions of the
11 agreement is a condition precedent for receipt of tax refunds
12 each year. The failure to comply with the terms and conditions
13 of the agreement shall result in the loss of eligibility for
14 receipt of all tax refunds previously authorized pursuant to
15 this section, and the revocation of the certification as a
16 qualified applicant by the director, unless the applicant is
17 eligible to receive and elects to accept a prorated refund
18 under paragraph (5)(g) or the office grants the applicant an
19 economic-stimulus exemption.

20 1. A qualified applicant may submit, in writing, a
21 request to the office for an economic-stimulus exemption. The
22 request must provide quantitative evidence demonstrating how
23 negative economic conditions in the applicant's industry
24 prevented the applicant from complying with the terms and
25 conditions of its tax refund agreement.

26 2. Upon receipt of a request under subparagraph 1.,
27 the director shall have 45 days to notify the requesting
28 applicant, in writing, whether its exemption has been granted
29 or denied. In determining whether an exemption should be
30 granted, the director shall consider the extent to which
31 negative economic conditions in the requesting applicant's

1 industry prevented the applicant from complying with the terms
2 and conditions of its tax refund agreement.

3 3. As a condition for receiving a prorated refund
4 under paragraph (5)(g) or an economic-stimulus exemption under
5 this paragraph, a qualified applicant must agree to
6 renegotiate its tax refund agreement with the office to, at a
7 minimum, ensure that the terms of the agreement comply with
8 current law and office procedures governing application for
9 and award of tax refunds. Upon approving the award of a
10 prorated refund or granting an economic-stimulus exemption,
11 the office shall renegotiate the tax refund agreement with the
12 applicant as required by this subparagraph. When amending the
13 agreement of an applicant receiving an economic-stimulus
14 exemption, the office may extend the duration of the agreement
15 for a period not to exceed 1 year.

16 4. A qualified applicant may submit a request for an
17 economic-stimulus exemption to the office in lieu of any tax
18 refund claim scheduled to be submitted after June 30, 2001,
19 but before July 1, 2003.

20 5. A qualified applicant that receives an
21 economic-stimulus exemption may not receive a tax refund for
22 the period covered by the exemption.

23 (c) The agreement shall be signed by the director and
24 the authorized officer of the qualified applicant.

25 (d) The agreement must contain the following legend,
26 clearly printed on its face in bold type of not less than 10
27 points:

28
29 "This agreement is neither a general obligation
30 of the State of Florida, nor is it backed by
31 the full faith and credit of the State of

1 Florida. Payment of tax refunds are conditioned
2 on and subject to specific annual
3 appropriations by the Florida Legislature of
4 funds sufficient to pay amounts authorized in
5 s. 288.1045, Florida Statutes."
6

7 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE
8 CONTRACTOR.--

9 (a) To be eligible to claim any scheduled tax refund,
10 qualified applicants who have entered into a written agreement
11 with the office pursuant to subsection (4) and who have
12 entered into a valid new Department of Defense contract,
13 commenced the consolidation of a Department of Defense
14 contract, commenced the conversion of defense production jobs
15 to nondefense production jobs, ~~or who have~~ entered into a
16 valid contract for reuse of a defense-related facility must
17 ~~may~~ apply by January 31 of once each fiscal year to the office
18 for tax refunds scheduled to be paid from the appropriation
19 for the fiscal year that begins on July 1 following the
20 January 31 claims-submission date. The office may, upon
21 written request, grant a 30-day extension of the filing date.
22 ~~The application must be made on or after the date contained in~~
23 ~~the agreement entered into pursuant to subsection (4) and must~~
24 include a notarized signature of an officer of the applicant.

25 (b) The claim for refund by the qualified applicant
26 must include a copy of all receipts pertaining to the payment
27 of taxes for which a refund is sought, and data related to
28 achieving each performance item contained in the tax refund
29 agreement pursuant to subsection (4). The amount requested as
30 a tax refund may not exceed the amount for the relevant fiscal
31

1 year in the written agreement entered pursuant to subsection
2 (4).

3 (c) A tax refund may not be approved for any qualified
4 applicant unless local financial support has been paid to the
5 Economic Development Trust Fund for ~~in~~ that refund fiscal
6 ~~year~~. If the local financial support is less than 20 percent
7 of the approved tax refund, the tax refund shall be reduced.
8 The tax refund paid may not exceed 5 times the local financial
9 support received. Funding from local sources includes tax
10 abatement under s. 196.1995 provided to a qualified applicant.
11 The amount of any tax refund for an applicant approved under
12 this section shall be reduced by the amount of any such tax
13 abatement, and the limitations in subsection (2) and paragraph
14 (3)(h) shall be reduced by the amount of any such tax
15 abatement. A report listing all sources of the local financial
16 support shall be provided to the office when such support is
17 paid to the Economic Development Trust Fund.

18 (d) The director, with assistance from the office, the
19 Department of Revenue, and the Agency for Workforce Innovation
20 ~~Department of Labor and Employment Security~~ shall, by June 30
21 following the scheduled date for submitting the tax refund
22 claim, specify by written order the approval or disapproval of
23 the tax refund claim and, if approved, determine the amount of
24 the tax refund that is authorized to be paid to ~~for~~ the
25 qualified applicant for the ~~fiscal year in a written final~~
26 ~~order within 30 days after the date the claim for the annual~~
27 ~~tax refund is received by the office.~~ The office may grant an
28 extension of this date upon the request of the qualified
29 applicant for the purpose of filing additional information in
30 support of the claim.

31

1 (e) The total amount of tax refunds approved by the
2 director under this section in any fiscal year may not exceed
3 the amount appropriated to the Economic Development Trust Fund
4 for such purposes for the fiscal year. If the Legislature does
5 not appropriate an amount sufficient to satisfy projections by
6 the office for tax refunds in a fiscal year, the director
7 shall, not later than July 15 of such year, determine the
8 proportion of each refund claim which shall be paid by
9 dividing the amount appropriated for tax refunds for the
10 fiscal year by the projected total amount of refund claims for
11 the fiscal year. The amount of each claim for a tax refund
12 shall be multiplied by the resulting quotient. If, after the
13 payment of all such refund claims, funds remain in the
14 Economic Development Trust Fund for tax refunds, the director
15 shall recalculate the proportion for each refund claim and
16 adjust the amount of each claim accordingly.

17 (f) Upon approval of the tax refund pursuant to
18 paragraphs (c) and (d), the Comptroller shall issue a warrant
19 for the amount included in the final order. In the event of
20 any appeal of the final order, the Comptroller may not issue a
21 warrant for a refund to the qualified applicant until the
22 conclusion of all appeals of the final order.

23 (g) A prorated tax refund, less a 5 percent penalty,
24 shall be approved for a qualified applicant provided all other
25 applicable requirements have been satisfied and the applicant
26 proves to the satisfaction of the director that it has
27 achieved at least 80 percent of its projected employment and
28 that the average wage paid by the applicant is at least 90
29 percent of the average wage specified in the tax refund
30 agreement, but in no case less than 115 percent of the average
31 private-sector wage in the area available at the time of

1 certification. The prorated tax refund shall be calculated by
2 multiplying the tax refund amount for which the qualified
3 applicant would have been eligible, if all applicable
4 requirements had been satisfied, by the percentage of the
5 average employment specified in the tax refund agreement which
6 was achieved, and by the percentage of the average wages
7 specified in the tax refund agreement which was achieved.

8 (h) This section does not create a presumption that a
9 tax refund claim will be approved and paid.

10 (6) ADMINISTRATION.--

11 (a) The office may adopt rules pursuant to chapter 120
12 for the administration of this section.

13 (b) The office may verify information provided in any
14 claim submitted for tax credits under this section with regard
15 to employment and wage levels or the payment of the taxes with
16 the appropriate agency or authority including the Department
17 of Revenue, the Department of Labor and Employment Security,
18 or any local government or authority.

19 (c) To facilitate the process of monitoring and
20 auditing applications made under this program, the office may
21 provide a list of qualified applicants to the Department of
22 Revenue, to the Agency for Workforce Innovation ~~Department of~~
23 ~~Labor and Employment Security~~, or to any local government or
24 authority. The office may request the assistance of said
25 entities with respect to monitoring jobs, wages, and the
26 payment of the taxes listed in subsection (2).

27 (d) By December 1 of each year, the office shall
28 submit a complete and detailed report to the Governor, the
29 President of the Senate, and the Speaker of the House of
30 Representatives of all tax refunds paid under this section,
31 including analyses of benefits and costs, types of projects

1 supported, employment and investment created, geographic
2 distribution of tax refunds granted, and minority business
3 participation. The report must indicate whether the moneys
4 appropriated by the Legislature to the qualified applicant tax
5 refund program were expended in a prudent, fiducially sound
6 manner.

7 (e) Funds specifically appropriated for the tax refund
8 program under this section may not be used for any purpose
9 other than the payment of tax refunds authorized by this
10 section.

11 (7) EXPIRATION.--An applicant may not be certified as
12 qualified under this section after June 30, 2004.

13 Section 4. Paragraphs (a) and (d) of subsection (3),
14 paragraphs (a), (b), and (c) of subsection (4), and
15 subsections (5) and (6) of section 288.106, Florida Statutes,
16 are amended, and subsection (97) of that section is reenacted,
17 to read:

18 288.106 Tax refund program for qualified target
19 industry businesses.--

20 (3) APPLICATION AND APPROVAL PROCESS.--

21 (a) To apply for certification as a qualified target
22 industry business under this section, the business must file
23 an application with the office before the business has made
24 the decision to locate a new business in this state or before
25 the business had made the decision to expand an existing
26 business in this state. The application shall include, but is
27 not limited to, the following information:

28 1. The applicant's federal employer identification
29 number and the applicant's state sales tax registration
30 number.

31

1 2. The permanent location of the applicant's facility
2 in this state at which the project is or is to be located.

3 3. A description of the type of business activity or
4 product covered by the project, including four-digit SIC codes
5 for all activities included in the project.

6 4. The number of net new full-time equivalent Florida
7 jobs at the qualified target industry business as of December
8 31 of each year included ~~in this state that are or will be~~
9 ~~dedicated to~~ the project and the average wage of those jobs.
10 If more than one type of business activity or product is
11 included in the project, the number of jobs and average wage
12 for those jobs must be separately stated for each type of
13 business activity or product.

14 5. The total number of full-time equivalent employees
15 employed by the applicant in this state.

16 6. The anticipated commencement date of the project.

17 7. A brief statement concerning the role that the tax
18 refunds requested will play in the decision of the applicant
19 to locate or expand in this state.

20 8. An estimate of the proportion of the sales
21 resulting from the project that will be made outside this
22 state.

23 9. A resolution adopted by the governing board of the
24 county or municipality in which the project will be located,
25 which resolution recommends that certain types of businesses
26 be approved as a qualified target industry business and states
27 that the commitments of local financial support necessary for
28 the target industry business exist. In advance of the passage
29 of such resolution, the office may also accept an official
30 letter from an authorized local economic development agency
31 that endorses the proposed target industry project and pledges

1 that sources of local financial support for such project
2 exist. For the purposes of making pledges of local financial
3 support under this subsection, the authorized local economic
4 development agency shall be officially designated by the
5 passage of a one-time resolution by the local governing
6 authority.

7 10. Any additional information requested by the
8 office.

9 (d) The office shall forward its written findings and
10 evaluation concerning each application meeting the
11 requirements of paragraph (b) to the director within 45
12 calendar days after receipt of a complete application. The
13 office shall notify each target industry business when its
14 application is complete, and of the time when the 45-day
15 period begins. In its written report to the director, the
16 office shall specifically address each of the factors
17 specified in paragraph (c) and shall make a specific
18 assessment with respect to the minimum requirements
19 established in paragraph (b). The office shall include in its
20 report projections of the tax refunds the business would be
21 eligible to receive ~~refund claim that will be sought by the~~
22 ~~target industry business~~ in each fiscal year based on the
23 creation and maintenance of the net new Florida jobs specified
24 in subparagraph (a)4., as of December 31 of the preceding
25 state fiscal year information submitted in the application.

26 (4) TAX REFUND AGREEMENT.--

27 (a) Each qualified target industry business must enter
28 into a written agreement with the office which specifies, at a
29 minimum:

30 1. The total number of full-time equivalent jobs in
31 this state that will be dedicated to the project, the average

1 wage of those jobs, the definitions that will apply for
2 measuring the achievement of these terms during the pendency
3 of the agreement, and a time schedule or plan for when such
4 jobs will be in place and active in this state. ~~This~~
5 ~~information must be the same as the information contained in~~
6 ~~the application submitted by the business under subsection~~
7 ~~(3).~~

8 2. The maximum amount of tax refunds which the
9 qualified target industry business is eligible to receive on
10 the project and the maximum amount of a tax refund that the
11 qualified target industry business is eligible to receive in
12 each fiscal year based on the job creation and maintenance
13 schedule specified in subparagraph 1.

14 3. That the office may review and verify the financial
15 and personnel records of the qualified target industry
16 business to ascertain whether that business is in compliance
17 with this section.

18 4. The date after which, in each fiscal year, the
19 qualified target industry business may file a an annual claim
20 under subsection (5) to be considered to receive a tax refund
21 in the following fiscal year.

22 5. That local financial support will be annually
23 available and will be paid to the account. The director may
24 not enter into a written agreement with a qualified target
25 industry business if the local financial support resolution is
26 not passed by the local governing authority within 90 days
27 after he or she has issued the letter of certification under
28 subsection (3).

29 (b) Compliance with the terms and conditions of the
30 agreement is a condition precedent for the receipt of a tax
31 refund each year. The failure to comply with the terms and

1 conditions of the tax refund agreement results in the loss of
2 eligibility for receipt of all tax refunds previously
3 authorized under this section and the revocation by the
4 director of the certification of the business entity as a
5 qualified target industry business, unless the business is
6 eligible to receive and elects to accept a prorated refund
7 under paragraph (5)(d) or the office grants the business an
8 economic-stimulus exemption.

9 1. A qualified target industry business may submit, in
10 writing, a request to the office for an economic-stimulus
11 exemption. The request must provide quantitative evidence
12 demonstrating how negative economic conditions in the
13 business's industry prevented the business from complying with
14 the terms and conditions of its tax refund agreement.

15 2. Upon receipt of a request under subparagraph 1.,
16 the director shall have 45 days to notify the requesting
17 business, in writing, whether its exemption has been granted
18 or denied. In determining whether an exemption should be
19 granted, the director shall consider the extent to which
20 negative economic conditions in the requesting business's
21 industry prevented the business from complying with the terms
22 and conditions of its tax refund agreement.

23 3. As a condition for receiving a prorated refund
24 under paragraph (5)(d) or an economic-stimulus exemption under
25 this paragraph, a qualified target industry business must
26 agree to renegotiate its tax refund agreement with the office
27 to, at a minimum, ensure that the terms of the agreement
28 comply with current law and office procedures governing
29 application for and award of tax refunds. Upon approving the
30 award of a prorated refund or granting an economic-stimulus
31 exemption, the office shall renegotiate the tax refund

1 agreement with the business as required by this subparagraph.
2 When amending the agreement of a business receiving an
3 economic-stimulus exemption, the office may extend the
4 duration of the agreement for a period not to exceed 1 year.

5 4. A qualified target industry business may submit a
6 request for an economic-stimulus exemption to the office in
7 lieu of any tax refund claim scheduled to be submitted after
8 June 30, 2001, but before July 1, 2003.

9 5. A qualified target industry business that receives
10 an economic-stimulus exemption may not receive a tax refund
11 for the period covered by the exemption.

12 (c) The agreement must be signed by the director and
13 by an authorized officer of the qualified target industry
14 business within 120 days after the issuance of the letter of
15 certification under subsection (3), but not before passage and
16 receipt of the resolution of local financial support. The
17 office may grant an extension of this period at the written
18 request of the qualified target industry business.

19 (5) ANNUAL CLAIM FOR REFUND.--

20 (a) To be eligible to claim any scheduled tax refund a
21 qualified target industry business that has entered into a tax
22 refund agreement with the office under subsection (4) must ~~may~~
23 apply by January 31 of ~~once~~ each fiscal year to the office for
24 the a tax refund scheduled to be paid from the appropriation
25 for the fiscal year that begins on July 1 following the
26 January 31 claims-submission date. The office may, upon
27 written request, grant a 30-day extension of the filing date.
28 ~~The application must be made on or after the date specified in~~
29 ~~that agreement.~~

30 (b) The claim for refund by the qualified target
31 industry business must include a copy of all receipts

1 pertaining to the payment of taxes for which the refund is
2 sought and data related to achievement of each performance
3 item specified in the tax refund agreement. The amount
4 requested as a tax refund may not exceed the amount specified
5 for the relevant ~~that~~ fiscal year in that agreement.

6 (c) A tax refund may not be approved for a qualified
7 target industry business unless the required local financial
8 support has been paid into the account in that fiscal year. If
9 the local financial support provided is less than 20 percent
10 of the approved tax refund, the tax refund must be reduced. In
11 no event may the tax refund exceed an amount that is equal to
12 5 times the amount of the local financial support received.
13 Further, funding from local sources includes any tax abatement
14 granted to that business under s. 196.1995 or the appraised
15 market value of municipal or county land conveyed or provided
16 at a discount to that business. The amount of any tax refund
17 for such business approved under this section must be reduced
18 by the amount of any such tax abatement granted or the value
19 of the land granted; and the limitations in subsection (2) and
20 paragraph (3)(f) must be reduced by the amount of any such tax
21 abatement or the value of the land granted. A report listing
22 all sources of the local financial support shall be provided
23 to the office when such support is paid to the account.

24 (d) A prorated tax refund, less a 5-percent penalty,
25 shall be approved for a qualified target industry business
26 provided all other applicable requirements have been satisfied
27 and the business proves to the satisfaction of the director
28 that it has achieved at least 80 percent of its projected
29 employment and that the average wage paid by the business is
30 at least 90 percent of the average wage specified in the tax
31 refund agreement, but in no case less than 115 percent of the

1 average private-sector wage in the area available at the time
2 of certification, or 150 percent or 200 percent of the average
3 private-sector wage if the business requested the additional
4 per-job tax refund authorized in paragraph (2)(b) for wages
5 above those levels. The prorated tax refund shall be
6 calculated by multiplying the tax refund amount for which the
7 qualified target industry business would have been eligible,
8 if all applicable requirements had been satisfied, by the
9 percentage of the average employment specified in the tax
10 refund agreement which was achieved, and by the percentage of
11 the average wages specified in the tax refund agreement which
12 was achieved.

13 (e) The director, with such assistance as may be
14 required from the office, the Department of Revenue, or the
15 Agency for Workforce Innovation ~~Department of Labor and~~
16 ~~Employment Security~~, shall, by June 30 following the scheduled
17 date for submission of the tax refund claim specify by written
18 final order the approval or disapproval of the tax refund
19 claim and, if approved, the amount of the tax refund that is
20 authorized to be paid to for the qualified target industry
21 business for the fiscal year within 30 days after the date
22 that the claim for the annual tax refund is received by the
23 office. The office may grant an extension of this date upon
24 the request of the qualified target industry business for the
25 purpose of filing additional information in support of the
26 claim.

27 (f) The total amount of tax refund claims approved by
28 the director under this section in any fiscal year must not
29 exceed the amount authorized under s. 288.095(3).

30 (g) This section does not create a presumption that a
31 tax refund claim will be approved and paid.

1 ~~(g)~~ (h) Upon approval of the tax refund under
2 paragraphs (c), (d), and (e), the Comptroller shall issue a
3 warrant for the amount specified in the ~~final~~ order. If the
4 ~~final~~ order is appealed, the Comptroller may not issue a
5 warrant for a refund to the qualified target industry business
6 until the conclusion of all appeals of that order.

7 (6) ADMINISTRATION.--

8 (a) The office is authorized to verify information
9 provided in any claim submitted for tax credits under this
10 section with regard to employment and wage levels or the
11 payment of the taxes to the appropriate agency or authority,
12 including the Department of Revenue, the Agency for Workforce
13 Innovation ~~Department of Labor and Employment Security~~, or any
14 local government or authority.

15 (b) To facilitate the process of monitoring and
16 auditing applications made under this program, the office may
17 provide a list of qualified target industry businesses to the
18 Department of Revenue, to the Agency for Workforce Innovation
19 ~~Department of Labor and Employment Security~~, or to any local
20 government or authority. The office may request the assistance
21 of those entities with respect to monitoring jobs, wages, and
22 the payment of the taxes listed in subsection (2).

23 (c) Funds specifically appropriated for the tax refund
24 program for qualified target industry businesses may not be
25 used for any purpose other than the payment of tax refunds
26 authorized by this section.

27 (7) EXPIRATION.--This section expires June 30, 2004.

28 Section 5. Paragraph (k) of subsection (7) of section
29 213.053, Florida Statutes, is amended to read:

30 213.053 Confidentiality and information sharing.--

31

1 (7) Notwithstanding any other provision of this
2 section, the department may provide:

3 (k)1. Payment information relative to chapters 199,
4 201, 212, 220, and 221 to the Office of Tourism, Trade, and
5 Economic Development, or agents of the office, in its
6 administration of the tax refund program for qualified defense
7 contractors authorized by s. 288.1045. ~~and~~

8 2. Information relative to s. 624.509 and chapters
9 199, 201, 220, and 221 to the Office of Tourism, Trade, and
10 Economic Development, or agents of the office, in the
11 administration of ~~and~~ the tax refund program for qualified
12 target industry businesses authorized by s. 288.106.

13 3. Information relative to credits taken by businesses
14 under s. 220.191 and exemptions or refunds received by
15 businesses under s. 212.08(5)(j) to the Office of Tourism,
16 Trade, and Economic Development, or agents of the office, in
17 its administration and evaluation of the capital investment
18 tax credit program authorized in s. 220.191 and the
19 semiconductor, defense, and space tax exemption program
20 authorized in s. 212.08(5)(j).

21
22 Disclosure of information under this subsection shall be
23 pursuant to a written agreement between the executive director
24 and the agency. Such agencies, governmental or
25 nongovernmental, shall be bound by the same requirements of
26 confidentiality as the Department of Revenue. Breach of
27 confidentiality is a misdemeanor of the first degree,
28 punishable as provided by s. 775.082 or s. 775.083.

29 Section 6. This act shall take effect upon becoming a
30 law.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 1186

The committee substitute removes the expansion of the sales tax refunds.

The committee substitute removes the changes to the Economic Development Trust Fund that would have created the Rural Economic Development Account.

The committee substitute modifies section 288.095 pertaining to the Economic Development Trust Fund by adjusting the timing and responsibility for the annual report on programs funded through the Economic Development Incentives Account.

The committee substitute modifies the Qualified Defense Contractors (QDC) Tax Refund Program giving QDC businesses, adversely impacted by the recent economic downturn, a temporary extension of time to meet the terms and conditions of their tax refund agreements. No tax refunds will be paid until established performance conditions have been achieved and confirmed. It also expands the QDC program's refund-prorating provisions.

The committee substitute modifies the Qualified Target Industry Tax Refund Program (QTI) allowing firms that temporarily fail to meet agreed targets due to the economic downturn to request an economic stimulus exemption.

The committee substitute expands the existing authority allowing the Agency for Workforce Innovation and the Department of Revenue to share certain information with OTTED in its administration of the QTI and other incentive programs.