

1                                   A bill to be entitled  
2           An act relating to economic development;  
3           amending s. 212.055, F.S.; providing for the  
4           levy of the infrastructure sales surtax and the  
5           school capital outlay surtax by a two-thirds  
6           vote and requiring certain educational facility  
7           planning prior to the levy of the school  
8           capital outlay surtax; providing for the uses  
9           of the surtax proceeds; amending s. 288.0655,  
10          F.S.; providing for additional uses of moneys  
11          in the Rural Infrastructure Fund; amending s.  
12          288.095, F.S.; revising terminology relating to  
13          certain incentive payment schedules; revising  
14          the due date and content for an annual report  
15          on incentives and reassigning responsibility  
16          for such report to Enterprise Florida, Inc.;  
17          amending s. 288.1045, F.S.; revising  
18          definitions; revising conditions and procedures  
19          governing applications for tax refunds;  
20          revising provisions relating to the order  
21          authorizing a tax refund; revising the required  
22          elements of a tax refund agreement; providing  
23          an exemption from mandatory loss of tax refund  
24          eligibility and decertification resulting from  
25          agreement breach in cases of uncontrollable  
26          economic factors; prescribing a deadline for  
27          applying for tax refunds; authorizing the  
28          office to grant extensions to certain  
29          application and notification deadlines;  
30          revising conditions under which a prorated tax  
31          refund will be approved; providing for

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

1 refund will be approved; providing for  
2 calculation of such prorated tax refund;  
3 specifying that the section does not create a  
4 presumption that a claim will be approved and  
5 paid; revising the agencies with which the  
6 office may verify information and to which the  
7 office may provide information; expanding  
8 purposes for which the office may seek  
9 assistance from certain entities; specifying  
10 that certain appropriations may not be used for  
11 any purpose other than the payment of specified  
12 tax refunds; amending s. 213.053, F.S.;  
13 authorizing the Department of Revenue to  
14 provide certain information concerning  
15 specified tax-refund programs with the Office  
16 of Tourism, Trade, and Economic Development and  
17 specified agents; providing a short title;  
18 amending s. 125.0104, F.S.; providing that the  
19 additional tax authorized for bonds for a  
20 professional sports franchise facility, a  
21 retained spring training franchise facility, or  
22 a convention center, and for operation and  
23 maintenance costs of a convention center, and  
24 the additional tax authorized for bonds for  
25 facilities for a new professional sports  
26 franchise or a retained spring training  
27 franchise, may also be used to promote and  
28 advertise tourism; providing for earlier effect  
29 and retroactive application of s. 197.1722,  
30 F.S., relating to a limited waiver of certain  
31 mandatory charges and interest on certain real

1 property taxes; authorizing certain counties to  
2 apply for amendment of enterprise zone boundary  
3 lines; providing deadlines; prescribing  
4 conditions applicable to the areas proposed for  
5 addition to the enterprise zones; directing the  
6 Office of Tourism, Trade, and Economic  
7 Development to approve such amendments under  
8 certain conditions; providing for application  
9 of this act; creating s. 290.00686, F.S.;  
10 authorizing the Office of Tourism, Trade, and  
11 Economic Development to designate an enterprise  
12 zone in Brevard County; providing requirements  
13 with respect thereto; authorizing the City of  
14 Pensacola to apply to the Office of Tourism,  
15 Trade, and Economic Development to designate an  
16 enterprise zone in the City of Pensacola;  
17 authorizing the office to designate one  
18 enterprise zone in the City of Pensacola;  
19 providing requirements with respect thereto;  
20 authorizing Leon County, or Leon County and the  
21 City of Tallahassee jointly, to apply to the  
22 Office of Tourism, Trade, and Economic  
23 Development to designate an enterprise zone in  
24 Leon County; authorizing the office to  
25 designate one enterprise zone notwithstanding  
26 certain limitations; providing requirements  
27 with respect thereto; creating s. 11.35, F.S.;  
28 creating the Joint Legislative Committee on Tax  
29 Exemptions; providing for its membership and  
30 prescribing its duties; requiring it to  
31 periodically review and make recommendations

1 concerning tax exemptions prescribed in ch.  
2 212, F.S.; creating s. 212.25, F.S.; providing  
3 for the periodic expiration and review of tax  
4 exemptions under ch. 212, F.S.; providing that  
5 sales of goods or services that are neither  
6 expressly taxable nor expressly exempt from  
7 taxation by a specified date become taxable;  
8 exempting specified transactions from taxation  
9 and from the the expiration and review  
10 requirements of the act; providing effective  
11 dates.  
12

13 WHEREAS, the Legislature has identified a crisis in the  
14 economy which compels the Legislature to take a broad and  
15 comprehensive approach to economic development, addressing its  
16 many facets, including both economic stimulus and the state's  
17 tax policy, and

18 WHEREAS, the Legislature recognizes the obvious natural  
19 and logical connection between economic development and the  
20 distribution of the tax burden among the diverse segments of  
21 the economy, and

22 WHEREAS, the Legislature seeks by this legislation to  
23 accomplish goals that are not separate or disassociated  
24 objects of legislative effort, but that are integrated and  
25 dependent elements of a comprehensive approach to a rational  
26 economic policy that will fairly and equitably promote  
27 economic development throughout the diverse segments of the  
28 economy, and

29 WHEREAS, the Legislature, as part of this comprehensive  
30 approach to a rational economic policy, seeks to create a  
31 process by which the Legislature will periodically review, on

1 an orderly schedule, the array of tax exemptions and identify  
2 those that serve as a widespread stimulus to the economy and  
3 those that hamper economic development by unfairly  
4 distributing the tax burden or giving an undue competitive  
5 advantage to a business over others similarly situated, NOW,  
6 THEREFORE,

7

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

9

10 Section 1. Paragraphs (a) and (d) of subsection (2)  
11 and subsection (6) of section 212.055, Florida Statutes, are  
12 amended to read:

13 212.055 Discretionary sales surtaxes; legislative  
14 intent; authorization and use of proceeds.--It is the  
15 legislative intent that any authorization for imposition of a  
16 discretionary sales surtax shall be published in the Florida  
17 Statutes as a subsection of this section, irrespective of the  
18 duration of the levy. Each enactment shall specify the types  
19 of counties authorized to levy; the rate or rates which may be  
20 imposed; the maximum length of time the surtax may be imposed,  
21 if any; the procedure which must be followed to secure voter  
22 approval, if required; the purpose for which the proceeds may  
23 be expended; and such other requirements as the Legislature  
24 may provide. Taxable transactions and administrative  
25 procedures shall be as provided in s. 212.054.

26 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

27 (a)1. The governing authority in each county may levy  
28 a discretionary sales surtax of 0.5 percent or 1 percent. The  
29 levy of the surtax shall be pursuant to ordinance enacted by a  
30 two-thirds vote ~~majority~~ of the members of the county  
31 governing authority or pursuant to ordinance enacted by a

1 majority of the members of the county governing authority and  
2 approved by a majority of the electors of the county voting in  
3 a referendum on the surtax. If the governing bodies of the  
4 municipalities representing a majority of the county's  
5 population adopt uniform resolutions establishing the rate of  
6 the surtax and calling for a referendum on the surtax, the  
7 levy of the surtax shall be placed on the ballot and shall  
8 take effect if approved by a majority of the electors of the  
9 county voting in the referendum on the surtax.

10 2. If the surtax was levied pursuant to a referendum  
11 held before July 1, 1993, the surtax may not be levied beyond  
12 the time established in the ordinance, or, if the ordinance  
13 did not limit the period of the levy, the surtax may not be  
14 levied for more than 15 years. The levy of such surtax may be  
15 extended only by approval of a majority of the electors of the  
16 county voting in a referendum on the surtax or pursuant to  
17 ordinance enacted by a two-thirds vote of the members of the  
18 county governing authority.

19 (d)1. The proceeds of the surtax authorized by this  
20 subsection and approved by referendum and any interest accrued  
21 thereto shall be expended by the school district or within the  
22 county and municipalities within the county, or, in the case  
23 of a negotiated joint county agreement, within another county,  
24 to finance, plan, and construct infrastructure and to acquire  
25 land for public recreation or conservation or protection of  
26 natural resources and to finance the closure of county-owned  
27 or municipally owned solid waste landfills that are already  
28 closed or are required to close by order of the Department of  
29 Environmental Protection. Any use of such proceeds or interest  
30 for purposes of landfill closure prior to July 1, 1993, is  
31 ratified. Neither the proceeds nor any interest accrued

1 thereto shall be used for operational expenses of any  
2 infrastructure, except that any county with a population of  
3 less than 75,000 that is required to close a landfill by order  
4 of the Department of Environmental Protection may use the  
5 proceeds or any interest accrued thereto for long-term  
6 maintenance costs associated with landfill closure. Counties,  
7 as defined in s. 125.011(1), and charter counties may, in  
8 addition, use the proceeds and any interest accrued thereto to  
9 retire or service indebtedness incurred for bonds issued prior  
10 to July 1, 1987, for infrastructure purposes, and for bonds  
11 subsequently issued to refund such bonds. Any use of such  
12 proceeds or interest for purposes of retiring or servicing  
13 indebtedness incurred for such refunding bonds prior to July  
14 1, 1999, is ratified.

15 2. The proceeds of the surtax where the surtax is  
16 levied by a two-thirds vote of the governing body of the  
17 county and any interest accrued thereto shall be expended by  
18 the school district or within the county and municipalities  
19 within the county for infrastructure located within the urban  
20 service area that is identified in the local government  
21 comprehensive plan of the county or municipality and is  
22 identified in that local government's capital improvements  
23 element adopted pursuant to s. 163.3177(3) or that is  
24 identified in the school district's educational facilities  
25 plan adopted pursuant to s. 235.185.

26 ~~3.2.~~ For the purposes of this paragraph,  
27 "infrastructure" means:

28 a. Any fixed capital expenditure or fixed capital  
29 outlay associated with the construction, reconstruction, or  
30 improvement of public facilities which have a life expectancy  
31



1 of 5 or more years and any land acquisition, land improvement,  
2 design, and engineering costs related thereto.

3 b. A fire department vehicle, an emergency medical  
4 service vehicle, a sheriff's office vehicle, a police  
5 department vehicle, or any other vehicle, and such equipment  
6 necessary to outfit the vehicle for its official use or  
7 equipment that has a life expectancy of at least 5 years.

8 ~~4.3.~~ Notwithstanding any other provision of this  
9 subsection, a discretionary sales surtax imposed or extended  
10 after the effective date of this act may provide for an amount  
11 not to exceed 15 percent of the local option sales surtax  
12 proceeds to be allocated for deposit to a trust fund within  
13 the county's accounts created for the purpose of funding  
14 economic development projects of a general public purpose  
15 targeted to improve local economies, including the funding of  
16 operational costs and incentives related to such economic  
17 development. If applicable, the ballot statement must indicate  
18 the intention to make an allocation under the authority of  
19 this subparagraph.

20 (6) SCHOOL CAPITAL OUTLAY SURTAX.--

21 (a) The school board in each county may levy, pursuant  
22 to resolution conditioned to take effect only upon approval by  
23 a majority vote of the electors of the county voting in a  
24 referendum, a discretionary sales surtax at a rate that may  
25 not exceed 0.5 percent.

26 (b) The resolution shall include a statement that  
27 provides a brief and general description of the school capital  
28 outlay projects to be funded by the surtax. If applicable, the  
29 resolution must state that the district school board has been  
30 recognized by the State Board of Education as having a Florida  
31 Frugal Schools Program. The statement shall conform to the

1 requirements of s. 101.161 and shall be placed on the ballot  
 2 by the governing body of the county. The following question  
 3 shall be placed on the ballot:

4  
 5       ....FOR THE                               ....CENTS TAX  
 6       ....AGAINST THE                           ....CENTS TAX

7  
 8       (c) As an alternative method of levying the  
 9 discretionary sales surtax, the district school board may  
 10 levy, pursuant to resolution adopted by a two-thirds vote of  
 11 the members of the school board, a discretionary sales surtax  
 12 at a rate not to exceed 0.5 percent when the following  
 13 conditions are met:

14       1. The district school board and local governments in  
 15 the county where the school district is located have adopted  
 16 an interlocal agreement and public educational facilities  
 17 element as required by chapter 163;

18       2. The district school board has adopted a district  
 19 educational facilities plan pursuant to s. 235.185; and

20       3. The district's use of surtax proceeds for new  
 21 construction must not exceed the cost-per-student criteria  
 22 established for the SIT Program in s. 235.216(2).

23       ~~(d)(c)~~ The resolution providing for the imposition of  
 24 the surtax shall set forth a plan for use of the surtax  
 25 proceeds for fixed capital expenditures or fixed capital costs  
 26 associated with the construction, reconstruction, or  
 27 improvement of school facilities and campuses which have a  
 28 useful life expectancy of 5 or more years, and any land  
 29 acquisition, land improvement, design, and engineering costs  
 30 related thereto. Additionally, the plan shall include the  
 31 costs of retrofitting and providing for technology

1 implementation, including hardware and software, for the  
2 various sites within the school district. Surtax revenues may  
3 be used for the purpose of servicing bond indebtedness to  
4 finance projects authorized by this subsection, and any  
5 interest accrued thereto may be held in trust to finance such  
6 projects. Neither the proceeds of the surtax nor any interest  
7 accrued thereto shall be used for operational expenses. If the  
8 district school board has been recognized by the State Board  
9 of Education as having a Florida Frugal Schools Program, the  
10 district's plan for use of the surtax proceeds must be  
11 consistent with this subsection and with uses assured under  
12 the Florida Frugal Schools Program.

13 (e)~~(d)~~ Any school board imposing the surtax shall  
14 implement a freeze on noncapital local school property taxes,  
15 at the millage rate imposed in the year prior to the  
16 implementation of the surtax, for a period of at least 3 years  
17 from the date of imposition of the surtax. This provision  
18 shall not apply to existing debt service or required state  
19 taxes.

20 (f)~~(e)~~ Surtax revenues collected by the Department of  
21 Revenue pursuant to this subsection shall be distributed to  
22 the school board imposing the surtax in accordance with law.

23 Section 2. Paragraphs (a) and (b) of subsection (2) of  
24 section 288.0655, Florida Statutes, are amended to read:

25 288.0655 Rural Infrastructure Fund.--

26 (2)(a) Funds appropriated by the Legislature shall be  
27 distributed by the office through ~~a grant~~ programs ~~program~~  
28 that maximize ~~maximizes~~ the use of federal, local, and private  
29 resources, including, but not limited to, those available  
30 under the Small Cities Community Development Block Grant  
31 Program.

1 (b) To facilitate access of rural communities and  
2 rural areas of critical economic concern as defined by the  
3 Rural Economic Development Initiative to infrastructure  
4 funding programs of the Federal Government, such as those  
5 offered by the United States Department of Agriculture and the  
6 United States Department of Commerce, and state programs,  
7 including those offered by Rural Economic Development  
8 Initiative agencies, and to facilitate local government or  
9 private infrastructure funding efforts,the office may award  
10 grants to ~~applicants for such federal programs~~ for up to 30  
11 percent of the total infrastructure project cost. Eligible  
12 projects must be related to specific job-creation or  
13 job-retention ~~job-creating~~ opportunities. Eligible projects  
14 may also include improving any inadequate infrastructure that  
15 has resulted in regulatory action that prohibits economic or  
16 community growth or reducing the costs to community users of  
17 proposed infrastructure improvements that exceed such costs in  
18 comparable communities.Eligible uses of funds shall include  
19 improvements to public infrastructure for industrial or  
20 commercial sites and upgrades to or development of public  
21 tourism infrastructure. Authorized infrastructure may include  
22 the following public or public-private partnership facilities:  
23 storm water systems; telecommunications facilities; roads or  
24 other remedies to transportation impediments; nature-based  
25 tourism facilities; or other physical requirements necessary  
26 to facilitate tourism, trade, and economic development  
27 activities in the community. Authorized infrastructure may  
28 also include publicly owned self-powered nature-based tourism  
29 facilities and additions to the distribution facilities of the  
30 existing natural gas utility as defined in s. 366.04(3)(c),  
31 the existing electric utility as defined in s. 366.02, or the

1 existing water or wastewater utility as defined in s.  
2 367.021(12), or any other existing water or wastewater  
3 facility, which owns a gas or electric distribution system or  
4 a water or wastewater system in this state where:

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

9 2. Such utilities as defined herein are willing and  
10 able to provide such service.

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

13 288.095 Economic Development Trust Fund.--

14 (3)

15 (b) The total amount of tax refund claims approved for  
16 payment by the Office of Tourism, Trade, and Economic  
17 Development based on actual project performance may not exceed  
18 the amount appropriated to the Economic Development Incentives  
19 Account for such purposes for the fiscal year. In the event  
20 the Legislature does not appropriate an amount sufficient to  
21 satisfy estimates ~~projections~~ by the office for tax refunds  
22 under ss. 288.1045 and 288.106 in a fiscal year, the Office of  
23 Tourism, Trade, and Economic Development shall, not later than  
24 July 15 of such year, determine the proportion of each refund  
25 claim which shall be paid by dividing the amount appropriated  
26 for tax refunds for the fiscal year by the estimated ~~projected~~  
27 total of refund claims for the fiscal year. The amount of each  
28 claim for a tax refund shall be multiplied by the resulting  
29 quotient. If, after the payment of all such refund claims,  
30 funds remain in the Economic Development Incentives Account  
31 for tax refunds, the office shall recalculate the proportion

1 for each refund claim and adjust the amount of each claim  
2 accordingly.

3 (c) By December 31 ~~September 30~~ of each year,  
4 Enterprise Florida, Inc., the Office of Tourism, Trade, and  
5 Economic Development shall submit a complete and detailed  
6 report to the Governor, the President of the Senate, the  
7 Speaker of the House of Representatives, and the director of  
8 the Office of Tourism, Trade, and Economic Development board  
9 ~~of directors of Enterprise Florida, Inc., created under part~~  
10 ~~VII of this chapter,~~ of all applications received,  
11 recommendations made to the Office of Tourism, Trade, and  
12 Economic Development, final decisions issued, tax refund  
13 agreements executed, and tax refunds paid or other payments  
14 made under all programs funded out of the Economic Development  
15 Incentives Account, including analyses of benefits and costs,  
16 types of projects supported, and employment and investment  
17 created. Enterprise Florida, Inc., The Office of Tourism,  
18 ~~Trade, and Economic Development~~ shall also include a separate  
19 analysis of the impact of such tax refunds on state enterprise  
20 zones designated pursuant to s. 290.0065, rural communities,  
21 brownfield areas, and distressed urban communities. ~~By~~  
22 ~~December 1~~ of each year, ~~the board of directors of Enterprise~~  
23 ~~Florida, Inc., shall review and comment on the report, and the~~  
24 ~~board shall submit the report, together with the comments of~~  
25 ~~the board, to the Governor, the President of the Senate, and~~  
26 ~~the Speaker of the House of Representatives.~~ The report must  
27 discuss whether the authority and moneys appropriated by the  
28 Legislature to the Economic Development Incentives Account  
29 were managed and expended in a prudent, fiducially sound  
30 manner. The Office of Tourism, Trade, and Economic Development  
31

1 shall assist Enterprise Florida, Inc., in the collection of  
2 data related to business performance and incentive payments.

3 Section 4. Section 288.1045, Florida Statutes, is  
4 amended to read:

5 288.1045 Qualified defense contractor tax refund  
6 program.--

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

8 (a) "Consolidation of a Department of Defense  
9 contract" means the consolidation of one or more of an  
10 applicant's facilities under one or more Department of Defense  
11 contracts either from outside this state or from inside and  
12 outside this state, into one or more of the applicant's  
13 facilities inside this state.

14 (b) "Average wage in the area" means the average of  
15 all wages and salaries in the state, the county, or in the  
16 standard metropolitan area in which the business unit is  
17 located.

18 (c) "Applicant" means any business entity that holds a  
19 valid Department of Defense contract or any business entity  
20 that is a subcontractor under a valid Department of Defense  
21 contract or any business entity that holds a valid contract  
22 for the reuse of a defense-related facility, including all  
23 members of an affiliated group of corporations as defined in  
24 s. 220.03(1)(b).

25 (d) "Office" means the Office of Tourism, Trade, and  
26 Economic Development.

27 (e) "Department of Defense contract" means a  
28 competitively bid Department of Defense contract or  
29 subcontract or a competitively bid federal agency contract or  
30 subcontract issued on behalf of the Department of Defense for  
31 manufacturing, assembling, fabricating, research, development,

1 or design with a duration of 2 or more years, but excluding  
2 any contract to provide goods, improvements to real or  
3 tangible property, or services directly to or for any  
4 particular military base or installation in this state. The  
5 term includes contracts or subcontracts for products or  
6 services for military use which contracts or subcontracts are  
7 approved by the United States Department of Defense, the  
8 United States Department of State, or the United States Coast  
9 Guard.

10 (f) "New Department of Defense contract" means a  
11 Department of Defense contract entered into after the date  
12 application for certification as a qualified applicant is made  
13 and after January 1, 1994.

14 (g) "Jobs" means full-time equivalent positions,  
15 consistent with the use of such terms by the Agency for  
16 Workforce Innovation ~~Department of Labor and Employment~~  
17 ~~Security~~ for the purpose of unemployment compensation tax,  
18 resulting directly from a project in this state. This number  
19 does not include temporary construction jobs involved with the  
20 construction of facilities for the project.

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

24 (i) "Project" means any business undertaking in this  
25 state under a new Department of Defense contract,  
26 consolidation of a Department of Defense contract, or  
27 conversion of defense production jobs over to nondefense  
28 production jobs or reuse of defense-related facilities.

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



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

3 (l) "Taxable year" means the same as in s.  
4 220.03(1)(z).

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

6 (n) "Business unit" means an employing unit, as  
7 defined in s. 443.036, that is registered with the Agency for  
8 Workforce Innovation ~~Department of Labor and Employment~~  
9 ~~Security~~ for unemployment compensation purposes or means a  
10 subcategory or division of an employing unit that is accepted  
11 by the Agency for Workforce Innovation ~~Department of Labor and~~  
12 ~~Employment Security~~ as a reporting unit.

13 (o) "Local financial support" means funding from local  
14 sources, public or private, which is paid to the Economic  
15 Development Trust Fund and which is equal to 20 percent of the  
16 annual tax refund for a qualified applicant. Local financial  
17 support may include excess payments made to a utility company  
18 under a designated program to allow decreases in service by  
19 the utility company under conditions, regardless of when  
20 application is made. A qualified applicant may not provide,  
21 directly or indirectly, more than 5 percent of such funding in  
22 any fiscal year. The sources of such funding may not include,  
23 directly or indirectly, state funds appropriated from the  
24 General Revenue Fund or any state trust fund, excluding tax  
25 revenues shared with local governments pursuant to law.

26 (p) "Contract for reuse of a defense-related facility"  
27 means a contract with a duration of 2 or more years for the  
28 use of a facility for manufacturing, assembling, fabricating,  
29 research, development, or design of tangible personal  
30 property, but excluding any contract to provide goods,  
31 improvements to real or tangible property, or services

1 directly to or for any particular military base or  
2 installation in this state. Such facility must be located  
3 within a port, as defined in s. 313.21, and have been occupied  
4 by a business entity that held a valid Department of Defense  
5 contract or occupied by any branch of the Armed Forces of the  
6 United States, within 1 year of any contract being executed  
7 for the reuse of such facility. A contract for reuse of a  
8 defense-related facility may not include any contract for  
9 reuse of such facility for any Department of Defense contract  
10 for manufacturing, assembling, fabricating, research,  
11 development, or design.

12 (q) "Local financial support exemption option" means  
13 the option to exercise an exemption from the local financial  
14 support requirement available to any applicant whose project  
15 is located in a county designated by the Rural Economic  
16 Development Initiative, if the county commissioners of the  
17 county in which the project will be located adopt a resolution  
18 requesting that the applicant's project be exempt from the  
19 local financial support requirement. Any applicant that  
20 exercises this option is not eligible for more than 80 percent  
21 of the total tax refunds allowed such applicant under this  
22 section.

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

24 (a) There shall be allowed, from the Economic  
25 Development Trust Fund, a refund to a qualified applicant for  
26 the amount of eligible taxes certified by the director which  
27 were paid by such qualified applicant. The total amount of  
28 refunds for all fiscal years for each qualified applicant  
29 shall be determined pursuant to subsection (3). The annual  
30 amount of a refund to a qualified applicant shall be  
31 determined pursuant to subsection (5).

1 (b) A qualified applicant may not be qualified for any  
2 project to receive more than \$5,000 times the number of jobs  
3 provided in the tax refund agreement pursuant to subparagraph  
4 (4)(a)1. A qualified applicant may not receive refunds of more  
5 than 25 percent of the total tax refunds provided in the tax  
6 refund agreement pursuant to subparagraph (4)(a)1. in any  
7 fiscal year, provided that no qualified applicant may receive  
8 more than \$2.5 million in tax refunds pursuant to this section  
9 in any fiscal year.

10 (c) A qualified applicant may not receive more than  
11 \$7.5 million in tax refunds pursuant to this section in all  
12 fiscal years.

13 (d) Contingent upon an annual appropriation by the  
14 Legislature, the director may approve not more in tax refunds  
15 than the amount appropriated to the Economic Development Trust  
16 Fund for tax refunds, for a fiscal year pursuant to subsection  
17 (5) and s. 288.095.

18 (e) For the first 6 months of each fiscal year, the  
19 director shall set aside 30 percent of the amount appropriated  
20 for refunds pursuant to this section by the Legislature to  
21 provide tax refunds only to qualified applicants who employ  
22 500 or fewer full-time employees in this state. Any  
23 unencumbered funds remaining undisbursed from this set-aside  
24 at the end of the 6-month period may be used to provide tax  
25 refunds for any qualified applicants pursuant to this section.

26 (f) After entering into a tax refund agreement  
27 pursuant to subsection (4), a qualified applicant may receive  
28 refunds from the Economic Development Trust Fund for the  
29 following taxes due and paid by the qualified applicant  
30 beginning with the applicant's first taxable year that begins  
31 after entering into the agreement:

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

3           2. Corporate income taxes paid pursuant to chapter  
4 220.

5           3. Intangible personal property taxes paid pursuant to  
6 chapter 199.

7           4. Emergency excise taxes paid pursuant to chapter  
8 221.

9           5. Excise taxes paid on documents pursuant to chapter  
10 201.

11           6. Ad valorem taxes paid, as defined in s.  
12 220.03(1)(a) on June 1, 1996.

13  
14 However, a qualified applicant may not receive a tax refund  
15 pursuant to this section for any amount of credit, refund, or  
16 exemption granted such contractor for any of such taxes. If a  
17 refund for such taxes is provided by the office, which taxes  
18 are subsequently adjusted by the application of any credit,  
19 refund, or exemption granted to the qualified applicant other  
20 than that provided in this section, the qualified applicant  
21 shall reimburse the Economic Development Trust Fund for the  
22 amount of such credit, refund, or exemption. A qualified  
23 applicant must notify and tender payment to the office within  
24 20 days after receiving a credit, refund, or exemption, other  
25 than that provided in this section.

26           (g) Any qualified applicant who fraudulently claims  
27 this refund is liable for repayment of the refund to the  
28 Economic Development Trust Fund plus a mandatory penalty of  
29 200 percent of the tax refund which shall be deposited into  
30 the General Revenue Fund. Any qualified applicant who  
31 fraudulently claims this refund commits a felony of the third

1 degree, punishable as provided in s. 775.082, s. 775.083, or  
2 s. 775.084.

3 (h) Funds made available pursuant to this section may  
4 not be expended in connection with the relocation of a  
5 business from one community to another community in this state  
6 unless the Office of Tourism, Trade, and Economic Development  
7 determines that without such relocation the business will move  
8 outside this state or determines that the business has a  
9 compelling economic rationale for the relocation which creates  
10 additional jobs.

11 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY  
12 DETERMINATION.--

13 (a) To apply for certification as a qualified  
14 applicant pursuant to this section, an applicant must file an  
15 application with the office which satisfies the requirements  
16 of paragraphs (b) and (e), paragraphs (c) and (e), or  
17 paragraphs (d) and (e). An applicant may not apply for  
18 certification pursuant to this section after a proposal has  
19 been submitted for a new Department of Defense contract, after  
20 the applicant has made the decision to consolidate an existing  
21 Department of Defense contract in this state for which such  
22 applicant is seeking certification, or after the applicant has  
23 made the decision to convert defense production jobs to  
24 nondefense production jobs for which such applicant is seeking  
25 certification.

26 (b) Applications for certification based on the  
27 consolidation of a Department of Defense contract or a new  
28 Department of Defense contract must be submitted to the office  
29 as prescribed by the office and must include, but are not  
30 limited to, the following information:

31

1           1. The applicant's federal employer identification  
2 number, the applicant's Florida sales tax registration number,  
3 and a notarized signature of an officer of the 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 Department of Defense contract numbers of the  
9 contract to be consolidated, the new Department of Defense  
10 contract number, or the "RFP" number of a proposed Department  
11 of Defense contract.

12           4. The date the contract was executed or is expected  
13 to be executed, and the date the contract is due to expire or  
14 is expected to expire.

15           5. The commencement date for project operations under  
16 the contract in this state.

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

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

23           8. The percentage of the applicant's gross receipts  
24 derived from Department of Defense contracts during the 5  
25 taxable years immediately preceding the date the application  
26 is submitted.

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

1           13. Any additional information requested by the  
2 office.

3           (c) Applications for certification based on the  
4 conversion of defense production jobs to nondefense production  
5 jobs must be submitted to the office as prescribed by the  
6 office and must include, but are not limited to, the following  
7 information:

8           1. The applicant's federal employer identification  
9 number, the applicant's Florida sales tax registration number,  
10 and a notarized signature of an officer of the applicant.

11           2. The permanent location of the manufacturing,  
12 assembling, fabricating, research, development, or design  
13 facility in this state at which the project is or is to be  
14 located.

15           3. The Department of Defense contract numbers of the  
16 contract under which the defense production jobs will be  
17 converted to nondefense production jobs.

18           4. The date the contract was executed, and the date  
19 the contract is due to expire or is expected to expire, or was  
20 canceled.

21           5. The commencement date for the nondefense production  
22 operations in this state.

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

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

29           8. The percentage of the applicant's gross receipts  
30 derived from Department of Defense contracts during the 5  
31



1 taxable years immediately preceding the date the application  
2 is submitted.

3 9. The amount of:

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

6 b. Corporate income taxes paid pursuant to chapter  
7 220;

8 c. Intangible personal property taxes paid pursuant to  
9 chapter 199;

10 d. Emergency excise taxes paid pursuant to chapter  
11 221;

12 e. Excise taxes paid on documents pursuant to chapter  
13 201; and

14 f. Ad valorem taxes paid  
15

16 during the 5 fiscal years immediately preceding the date of  
17 the application, and the projected amounts of such taxes to be  
18 due in the 3 fiscal years immediately following the date of  
19 the application.

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

22 11. A brief statement concerning the applicant's need  
23 for tax refunds, and the proposed uses of such refunds by the  
24 applicant.

25 12. A resolution adopted by the county commissioners  
26 of the county in which the project will be located, which  
27 recommends the applicant be approved as a qualified applicant,  
28 and which indicates that the necessary commitments of local  
29 financial support for the applicant exist. Prior to the  
30 adoption of the resolution, the county commission may review  
31 the proposed public or private sources of such support and

1 determine whether the proposed sources of local financial  
2 support can be provided or, for any applicant whose project is  
3 located in a county designated by the Rural Economic  
4 Development Initiative, a resolution adopted by the county  
5 commissioners of such county requesting that the applicant's  
6 project be exempt from the local financial support  
7 requirement.

8           13. Any additional information requested by the  
9 office.

10           (d) Applications for certification based on a contract  
11 for reuse of a defense-related facility must be submitted to  
12 the office as prescribed by the office and must include, but  
13 are not limited to, the following information:

14           1. The applicant's Florida sales tax registration  
15 number and a notarized signature of an officer of the  
16 applicant.

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

21           3. The business entity holding a valid Department of  
22 Defense contract or branch of the Armed Forces of the United  
23 States that previously occupied the facility, and the date  
24 such entity last occupied the facility.

25           4. A copy of the contract to reuse the facility, or  
26 such alternative proof as may be prescribed by the office that  
27 the applicant is seeking to contract for the reuse of such  
28 facility.

29           5. The date the contract to reuse the facility was  
30 executed or is expected to be executed, and the date the  
31 contract is due to expire or is expected to expire.

1           6. The commencement date for project operations under  
2 the contract in this state.

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

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

9           9. The amount of:

10          a. Taxes on sales, use, and other transactions paid  
11 pursuant to chapter 212.

12          b. Corporate income taxes paid pursuant to chapter  
13 220.

14          c. Intangible personal property taxes paid pursuant to  
15 chapter 199.

16          d. Emergency excise taxes paid pursuant to chapter  
17 221.

18          e. Excise taxes paid on documents pursuant to chapter  
19 201.

20          f. Ad valorem taxes paid during the 5 fiscal years  
21 immediately preceding the date of the application, and the  
22 projected amounts of such taxes to be due in the 3 fiscal  
23 years immediately following the date of the application.

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

26          11. A brief statement concerning the applicant's need  
27 for tax refunds, and the proposed uses of such refunds by the  
28 applicant.

29          12. A resolution adopted by the county commissioners  
30 of the county in which the project will be located, which  
31 recommends the applicant be approved as a qualified applicant,

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

12 13. Any additional information requested by the  
13 office.

14 (e) To qualify for review by the office, the  
15 application of an applicant must, at a minimum, establish the  
16 following to the satisfaction of the office:

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

22 2. The consolidation of a Department of Defense  
23 contract must result in a net increase of at least 25 percent  
24 in the number of jobs at the applicant's facilities in this  
25 state or the addition of at least 80 jobs at the applicant's  
26 facilities in this state.

27 3. The conversion of defense production jobs to  
28 nondefense production jobs must result in net increases in  
29 nondefense employment at the applicant's facilities in this  
30 state.

31

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

5           5. A business unit of the applicant must have derived  
6 not less than 60 ~~70~~ percent of its gross receipts in this  
7 state from Department of Defense contracts over the  
8 applicant's last fiscal year, and must have derived not less  
9 than an average of 60 ~~80~~ percent of its gross receipts in this  
10 state from Department of Defense contracts over the 5 years  
11 preceding the date an application is submitted pursuant to  
12 this section. This subparagraph does not apply to any  
13 application for certification based on a contract for reuse of  
14 a defense-related facility.

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

17           (f) Each application meeting the requirements of  
18 paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs  
19 (d) and (e) must be submitted to the office for a  
20 determination of eligibility. The office shall review,  
21 evaluate, and score each application based on, but not limited  
22 to, the following criteria:

23           1. Expected contributions to the state strategic  
24 economic development plan adopted by Enterprise Florida, Inc.,  
25 taking into account the extent to which the project  
26 contributes to the state's high-technology base, and the  
27 long-term impact of the project and the applicant on the  
28 state's economy.

29           2. The economic benefit of the jobs created or  
30 retained by the project in this state, taking into account the  
31

1 cost and average wage of each job created or retained, and the  
2 potential risk to existing jobs.

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

5 4. The local commitment and support for the project  
6 and applicant.

7 5. The impact of the project on the local community,  
8 taking into account the unemployment rate for the county where  
9 the project will be located.

10 6. The dependence of the local community on the  
11 defense industry.

12 7. The impact of any tax refunds granted pursuant to  
13 this section on the viability of the project and the  
14 probability that the project will occur in this state if such  
15 tax refunds are granted to the applicant, taking into account  
16 the expected long-term commitment of the applicant to economic  
17 growth and employment in this state.

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

20 (g) The office shall forward its written findings and  
21 evaluation on each application meeting the requirements of  
22 paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs  
23 (d) and (e) to the director within 60 calendar days after ~~of~~  
24 receipt of a complete application. The office shall notify  
25 each applicant when its application is complete, and when the  
26 60-day period begins. In its written report to the director,  
27 the office shall specifically address each of the factors  
28 specified in paragraph (f), and shall make a specific  
29 assessment with respect to the minimum requirements  
30 established in paragraph (e). The office shall include in its  
31 report projections of the tax refunds the applicant would be

1 eligible to receive refund claims that will be sought by the  
2 applicant in each fiscal year based on the creation and  
3 maintenance of the net new Florida jobs specified in  
4 subparagraphs (b)6., (c)6., or (d)7. as of December 31 of the  
5 preceding state fiscal year information submitted in the  
6 application.

7 (h) Within 30 days after receipt of the office's  
8 findings and evaluation, the director shall issue a letter of  
9 certification which ~~enter a final order that~~ either approves  
10 or disapproves an application. The decision must be in writing  
11 and provide the justifications for either approval or  
12 disapproval. If appropriate, the director shall enter into a  
13 written agreement with the qualified applicant pursuant to  
14 subsection (4).

15 (i) The director may not certify ~~enter any final order~~  
16 ~~that certifies~~ any applicant as a qualified applicant when the  
17 value of tax refunds to be included in that letter of  
18 certification ~~final order~~ exceeds the available amount of  
19 authority to certify new businesses ~~enter final orders~~ as  
20 determined in s. 288.095(3). A letter of certification ~~final~~  
21 ~~order~~ that approves an application must specify the maximum  
22 amount of a tax refund that is to be available to the  
23 contractor for ~~in~~ each fiscal year and the total amount of tax  
24 refunds for all fiscal years.

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

27 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND  
28 AGREEMENT.--

29 (a) A qualified applicant shall enter into a written  
30 agreement with the office containing, but not limited to, the  
31 following:

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

10           2. The maximum amount of a refund that the qualified  
11 applicant is eligible to receive for in each fiscal year,  
12 based on the job creation or retention and maintenance  
13 schedule specified in subparagraph 1.

14           3. An agreement with the office allowing the office to  
15 review and verify the financial and personnel records of the  
16 qualified applicant to ascertain whether the qualified  
17 applicant is complying with the requirements of this section.

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

22           5. That local financial support shall be annually  
23 available and will be paid to the Economic Development Trust  
24 Fund.

25           (b) Compliance with the terms and conditions of the  
26 agreement is a condition precedent for receipt of tax refunds  
27 each year. The failure to comply with the terms and conditions  
28 of the agreement shall result in the loss of eligibility for  
29 receipt of all tax refunds previously authorized pursuant to  
30 this section, and the revocation of the certification as a  
31 qualified applicant by the director, unless the qualified



1 applicant is eligible to receive and elects to accept a  
2 prorated refund under paragraph (5)(g) or the office grants  
3 the qualified applicant an economic-stimulus exemption.

4 1. A qualified applicant may submit, in writing, a  
5 request to the office for an economic-stimulus exemption. The  
6 request must provide quantitative evidence demonstrating how  
7 negative economic conditions in the qualified applicant's  
8 industry have prevented the qualified applicant from complying  
9 with the terms and conditions of its tax refund agreement.

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

19 3. As a condition for receiving a prorated refund  
20 under paragraph (5)(g) or an economic-stimulus exemption under  
21 this paragraph, a qualified applicant must agree to  
22 renegotiate its tax refund agreement with the office to, at a  
23 minimum, ensure that the terms of the agreement comply with  
24 current law and office procedures governing application for  
25 and award of tax refunds. Upon approving the award of a  
26 prorated refund or granting an economic-stimulus exemption,  
27 the office shall renegotiate the tax refund agreement with the  
28 qualified applicant as required by this subparagraph. When  
29 amending the agreement of a qualified applicant receiving an  
30 economic-stimulus exemption, the office may extend the  
31 duration of the agreement for a period not to exceed 1 year.

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

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

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

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

13  
14           "This agreement is neither a general obligation  
15 of the State of Florida, nor is it backed by  
16 the full faith and credit of the State of  
17 Florida. Payment of tax refunds are conditioned  
18 on and subject to specific annual  
19 appropriations by the Florida Legislature of  
20 funds sufficient to pay amounts authorized in  
21 s. 288.1045, Florida Statutes."

22  
23           (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE  
24 CONTRACTOR.--

25           (a) To be eligible to claim any scheduled tax refund,  
26 qualified applicants who have entered into a written agreement  
27 with the office pursuant to subsection (4) and who have  
28 entered into a valid new Department of Defense contract,  
29 commenced the consolidation of a Department of Defense  
30 contract, commenced the conversion of defense production jobs  
31 to nondefense production jobs, ~~or who have~~ entered into a

1 valid contract for reuse of a defense-related facility must  
2 ~~may~~ apply by January 31 of once each fiscal year to the office  
3 for tax refunds scheduled to be paid from the appropriation  
4 for the fiscal year that begins on July 1 following the  
5 January 31 claims-submission date. The office may, upon  
6 written request, grant a 30-day extension of the filing date.

7 ~~The application must be made on or after the date contained in~~  
8 ~~the agreement entered into pursuant to subsection (4) and must~~  
9 include a notarized signature of an officer of the applicant.

10 (b) The claim for refund by the qualified applicant  
11 must include a copy of all receipts pertaining to the payment  
12 of taxes for which a refund is sought, and data related to  
13 achieving each performance item contained in the tax refund  
14 agreement pursuant to subsection (4). The amount requested as  
15 a tax refund may not exceed the amount for the relevant fiscal  
16 year in the written agreement entered pursuant to subsection  
17 (4).

18 (c) A tax refund may not be approved for any qualified  
19 applicant unless local financial support has been paid to the  
20 Economic Development Trust Fund for in that refund fiscal  
21 ~~year~~. If the local financial support is less than 20 percent  
22 of the approved tax refund, the tax refund shall be reduced.  
23 The tax refund paid may not exceed 5 times the local financial  
24 support received. Funding from local sources includes tax  
25 abatement under s. 196.1995 provided to a qualified applicant.  
26 The amount of any tax refund for an applicant approved under  
27 this section shall be reduced by the amount of any such tax  
28 abatement, and the limitations in subsection (2) and paragraph  
29 (3)(h) shall be reduced by the amount of any such tax  
30 abatement. A report listing all sources of the local financial  
31

1 support shall be provided to the office when such support is  
2 paid to the Economic Development Trust Fund.

3 (d) The director, with assistance from the office, the  
4 Department of Revenue, and the Agency for Workforce Innovation  
5 ~~Department of Labor and Employment Security~~, shall, by June 30  
6 following the scheduled date for submitting the tax-refund  
7 claim, specify by written order the approval or disapproval of  
8 the tax refund claim and, if approved, determine the amount of  
9 the tax refund that is authorized to be paid to ~~for~~ the  
10 qualified applicant for the ~~fiscal year in a written final~~  
11 ~~order within 30 days after the date the claim for the annual~~  
12 ~~tax refund is received by the office.~~ The office may grant an  
13 extension of this date upon the request of the qualified  
14 applicant for the purpose of filing additional information in  
15 support of the claim.

16 (e) The total amount of tax refunds approved by the  
17 director under this section in any fiscal year may not exceed  
18 the amount appropriated to the Economic Development Trust Fund  
19 for such purposes for the fiscal year. If the Legislature does  
20 not appropriate an amount sufficient to satisfy projections by  
21 the office for tax refunds in a fiscal year, the director  
22 shall, not later than July 15 of such year, determine the  
23 proportion of each refund claim which shall be paid by  
24 dividing the amount appropriated for tax refunds for the  
25 fiscal year by the projected total amount of refund claims for  
26 the fiscal year. The amount of each claim for a tax refund  
27 shall be multiplied by the resulting quotient. If, after the  
28 payment of all such refund claims, funds remain in the  
29 Economic Development Trust Fund for tax refunds, the director  
30 shall recalculate the proportion for each refund claim and  
31 adjust the amount of each claim accordingly.

1 (f) Upon approval of the tax refund pursuant to  
2 paragraphs (c) and (d), the Comptroller shall issue a warrant  
3 for the amount included in the written ~~final~~ order. In the  
4 event of any appeal of the written ~~final~~ order, the  
5 Comptroller may not issue a warrant for a refund to the  
6 qualified applicant until the conclusion of all appeals of the  
7 written ~~final~~ order.

8 (g) A prorated tax refund, less a 5 percent penalty,  
9 shall be approved for a qualified applicant provided all other  
10 applicable requirements have been satisfied and the applicant  
11 proves to the satisfaction of the director that it has  
12 achieved at least 80 percent of its projected employment and  
13 that the average wage paid by the qualified applicant is at  
14 least 90 percent of the average wage specified in the tax  
15 refund agreement, but in no case less than 115 percent of the  
16 average private-sector wage in the area available at the time  
17 of certification. The prorated tax refund shall be calculated  
18 by multiplying the tax refund amount for which the qualified  
19 applicant would have been eligible, if all applicable  
20 requirements had been satisfied, by the percentage of the  
21 average employment specified in the tax refund agreement which  
22 was achieved, and by the percentage of the average wages  
23 specified in the tax refund agreement which was achieved.

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

26 (6) ADMINISTRATION.--

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

29 (b) The office may verify information provided in any  
30 claim submitted for tax credits under this section with regard  
31 to employment and wage levels or the payment of the taxes with

1 the appropriate agency or authority including the Department  
2 of Revenue, the Agency for Workforce Innovation ~~Department of~~  
3 ~~Labor and Employment Security~~, or any local government or  
4 authority.

5 (c) To facilitate the process of monitoring and  
6 auditing applications made under this program, the office may  
7 provide a list of qualified applicants to the Department of  
8 Revenue, to the Agency for Workforce Innovation ~~Department of~~  
9 ~~Labor and Employment Security~~, or to any local government or  
10 authority. The office may request the assistance of said  
11 entities with respect to monitoring jobs, wages, and the  
12 payment of the taxes listed in subsection (2).

13 (d) By December 1 of each year, the office shall  
14 submit a complete and detailed report to the Governor, the  
15 President of the Senate, and the Speaker of the House of  
16 Representatives of all tax refunds paid under this section,  
17 including analyses of benefits and costs, types of projects  
18 supported, employment and investment created, geographic  
19 distribution of tax refunds granted, and minority business  
20 participation. The report must indicate whether the moneys  
21 appropriated by the Legislature to the qualified applicant tax  
22 refund program were expended in a prudent, fiducially sound  
23 manner.

24 (e) Funds specifically appropriated for the tax refund  
25 program under this section may not be used for any purpose  
26 other than the payment of tax refunds authorized by this  
27 section.

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

30 Section 5. Paragraphs (a) and (d) of subsection (3),  
31 paragraphs (a), (b), and (c) of subsection (4), and

1 subsections (5) and (6) of section 288.106, Florida Statutes,  
2 are amended, and subsection (7) of that section is reenacted,  
3 to read:

4           288.106 Tax refund program for qualified target  
5 industry businesses.--

6           (3) APPLICATION AND APPROVAL PROCESS.--

7           (a) To apply for certification as a qualified target  
8 industry business under this section, the business must file  
9 an application with the office before the business has made  
10 the decision to locate a new business in this state or before  
11 the business had made the decision to expand an existing  
12 business in this state. The application shall include, but is  
13 not limited to, the following information:

14           1. The applicant's federal employer identification  
15 number and the applicant's state sales tax registration  
16 number.

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

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

22           4. The number of net new full-time equivalent Florida  
23 jobs at the qualified target industry business as of December  
24 31 of each year included in ~~this state that are or will be~~  
25 ~~dedicated to~~ the project and the average wage of those jobs.  
26 If more than one type of business activity or product is  
27 included in the project, the number of jobs and average wage  
28 for those jobs must be separately stated for each type of  
29 business activity or product.

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

1           6. The anticipated commencement date of the project.

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

5           8. An estimate of the proportion of the sales  
6 resulting from the project that will be made outside this  
7 state.

8           9. A resolution adopted by the governing board of the  
9 county or municipality in which the project will be located,  
10 which resolution recommends that certain types of businesses  
11 be approved as a qualified target industry business and states  
12 that the commitments of local financial support necessary for  
13 the target industry business exist. In advance of the passage  
14 of such resolution, the office may also accept an official  
15 letter from an authorized local economic development agency  
16 that endorses the proposed target industry project and pledges  
17 that sources of local financial support for such project  
18 exist. For the purposes of making pledges of local financial  
19 support under this subsection, the authorized local economic  
20 development agency shall be officially designated by the  
21 passage of a one-time resolution by the local governing  
22 authority.

23           10. Any additional information requested by the  
24 office.

25           (d) The office shall forward its written findings and  
26 evaluation concerning each application meeting the  
27 requirements of paragraph (b) to the director within 45  
28 calendar days after receipt of a complete application. The  
29 office shall notify each target industry business when its  
30 application is complete, and of the time when the 45-day  
31 period begins. In its written report to the director, the



1 office shall specifically address each of the factors  
2 specified in paragraph (c) and shall make a specific  
3 assessment with respect to the minimum requirements  
4 established in paragraph (b). The office shall include in its  
5 report projections of the tax refunds the business would be  
6 eligible to receive ~~refund claim that will be sought by the~~  
7 ~~target industry business~~ in each fiscal year based on the  
8 creation and maintenance of the net new Florida jobs specified  
9 in subparagraph (a)4. as of December 31 of the preceding state  
10 fiscal year information submitted in the application.

11 (4) TAX REFUND AGREEMENT.--

12 (a) Each qualified target industry business must enter  
13 into a written agreement with the office which specifies, at a  
14 minimum:

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

24 2. The maximum amount of tax refunds which the  
25 qualified target industry business is eligible to receive on  
26 the project and the maximum amount of a tax refund that the  
27 qualified target industry business is eligible to receive for  
28 in each fiscal year, based on the job creation and maintenance  
29 schedule specified in subparagraph 1.

30 3. That the office may review and verify the financial  
31 and personnel records of the qualified target industry

1 business to ascertain whether that business is in compliance  
2 with this section.

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

7 5. That local financial support will be annually  
8 available and will be paid to the account. The director may  
9 not enter into a written agreement with a qualified target  
10 industry business if the local financial support resolution is  
11 not passed by the local governing authority within 90 days  
12 after he or she has issued the letter of certification under  
13 subsection (3).

14 (b) Compliance with the terms and conditions of the  
15 agreement is a condition precedent for the receipt of a tax  
16 refund each year. The failure to comply with the terms and  
17 conditions of the tax refund agreement results in the loss of  
18 eligibility for receipt of all tax refunds previously  
19 authorized under this section and the revocation by the  
20 director of the certification of the business entity as a  
21 qualified target industry business, unless the business is  
22 eligible to receive and elects to accept a prorated refund  
23 under paragraph (5)(d) or the office grants the business an  
24 economic-stimulus exemption.

25 1. A qualified target industry business may submit, in  
26 writing, a request to the office for an economic-stimulus  
27 exemption. The request must provide quantitative evidence  
28 demonstrating how negative economic conditions in the  
29 business's industry have prevented the business from complying  
30 with the terms and conditions of its tax refund agreement.

31

1           2. Upon receipt of a request under subparagraph 1.,  
2 the director shall have 45 days to notify the requesting  
3 business, in writing, if its exemption has been granted or  
4 denied. In determining if an exemption should be granted, the  
5 director shall consider the extent to which negative economic  
6 conditions in the requesting business's industry have  
7 prevented the business from complying with the terms and  
8 conditions of its tax refund agreement.

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

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

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

29           (c) The agreement must be signed by the director and  
30 by an authorized officer of the qualified target industry  
31 business within 120 days after the issuance of the letter of

1 certification under subsection (3), but not before passage and  
2 receipt of the resolution of local financial support. The  
3 office may grant an extension of this period at the written  
4 request of the qualified target industry business.

5 (5) ANNUAL CLAIM FOR REFUND.--

6 (a) To be eligible to claim any scheduled tax refund,  
7 a qualified target industry business that has entered into a  
8 tax refund agreement with the office under subsection (4) must  
9 ~~may~~ apply by January 31 of ~~once~~ each fiscal year to the office  
10 for the a tax refund scheduled to be paid from the  
11 appropriation for the fiscal year that begins on July 1  
12 following the January 31 claims-submission date. The office  
13 may, upon written request, grant a 30-day extension of the  
14 filing date.~~The application must be made on or after the date~~  
15 ~~specified in that agreement.~~

16 (b) The claim for refund by the qualified target  
17 industry business must include a copy of all receipts  
18 pertaining to the payment of taxes for which the refund is  
19 sought and data related to achievement of each performance  
20 item specified in the tax refund agreement. The amount  
21 requested as a tax refund may not exceed the amount specified  
22 for the relevant ~~that~~ fiscal year in that agreement.

23 (c) A tax refund may not be approved for a qualified  
24 target industry business unless the required local financial  
25 support has been paid into the account for that refund ~~in that~~  
26 ~~fiscal year~~. If the local financial support provided is less  
27 than 20 percent of the approved tax refund, the tax refund  
28 must be reduced. In no event may the tax refund exceed an  
29 amount that is equal to 5 times the amount of the local  
30 financial support received. Further, funding from local  
31 sources includes any tax abatement granted to that business

1 under s. 196.1995 or the appraised market value of municipal  
2 or county land conveyed or provided at a discount to that  
3 business. The amount of any tax refund for such business  
4 approved under this section must be reduced by the amount of  
5 any such tax abatement granted or the value of the land  
6 granted; and the limitations in subsection (2) and paragraph  
7 (3)(f) must be reduced by the amount of any such tax abatement  
8 or the value of the land granted. A report listing all sources  
9 of the local financial support shall be provided to the office  
10 when such support is paid to the account.

11 (d) A prorated tax refund, less a 5-percent penalty,  
12 shall be approved for a qualified target industry business  
13 provided all other applicable requirements have been satisfied  
14 and the business proves to the satisfaction of the director  
15 that it has achieved at least 80 percent of its projected  
16 employment and that the average wage paid by the business is  
17 at least 90 percent of the average wage specified in the tax  
18 refund agreement, but in no case less than 115 percent of the  
19 average private-sector wage in the area available at the time  
20 of certification, or 150 percent or 200 percent of the average  
21 private-sector wage if the business requested the additional  
22 per-job tax refund authorized in paragraph (2)(b) for wages  
23 above those levels. The prorated tax refund shall be  
24 calculated by multiplying the tax refund amount for which the  
25 qualified target industry business would have been eligible,  
26 if all applicable requirements had been satisfied, by the  
27 percentage of the average employment specified in the tax  
28 refund agreement which was achieved, and by the percentage of  
29 the average wages specified in the tax refund agreement which  
30 was achieved.

31

1           (e) The director, with such assistance as may be  
2 required from the office, the Department of Revenue, or the  
3 Agency for Workforce Innovation ~~Department of Labor and~~  
4 ~~Employment Security~~, shall, by June 30 following the scheduled  
5 date for submission of the tax-refund claim, specify by  
6 written ~~final~~ order the approval or disapproval of the tax  
7 refund claim and, if approved, the amount of the tax refund  
8 that is authorized to be paid to ~~for~~ the qualified target  
9 industry business for the ~~fiscal year within 30 days after the~~  
10 ~~date that the claim for the annual tax refund is received by~~  
11 ~~the office.~~ The office may grant an extension of this date on  
12 the request of the qualified target industry business for the  
13 purpose of filing additional information in support of the  
14 claim.

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

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

20           (h)~~(g)~~ Upon approval of the tax refund under  
21 paragraphs (c), (d), and (e), the Comptroller shall issue a  
22 warrant for the amount specified in the written ~~final~~ order.  
23 If the written ~~final~~ order is appealed, the Comptroller may  
24 not issue a warrant for a refund to the qualified target  
25 industry business until the conclusion of all appeals of that  
26 order.

27           (6) ADMINISTRATION.--

28           (a) The office is authorized to verify information  
29 provided in any claim submitted for tax credits under this  
30 section with regard to employment and wage levels or the  
31 payment of the taxes to the appropriate agency or authority,

1 including the Department of Revenue, the Agency for Workforce  
2 Innovation ~~Department of Labor and Employment Security~~, or any  
3 local government or authority.

4 (b) To facilitate the process of monitoring and  
5 auditing applications made under this program, the office may  
6 provide a list of qualified target industry businesses to the  
7 Department of Revenue, to the Agency for Workforce Innovation  
8 ~~Department of Labor and Employment Security~~, or to any local  
9 government or authority. The office may request the assistance  
10 of those entities with respect to monitoring jobs, wages, and  
11 the payment of the taxes listed in subsection (2).

12 (c) Funds specifically appropriated for the tax refund  
13 program for qualified target industry businesses may not be  
14 used for any purpose other than the payment of tax refunds  
15 authorized by this section.

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

17 Section 6. Paragraph (k) of subsection (7) of section  
18 213.053, Florida Statutes, is amended to read:

19 213.053 Confidentiality and information sharing.--

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

22 (k)1. Payment information relative to chapters 199,  
23 201, 212, 220, and 221, and 624 to the Office of Tourism,  
24 Trade, and Economic Development, or its employees or agents  
25 that are identified in writing by the office to the  
26 department, in the its administration of the tax refund  
27 program for qualified defense contractors authorized by s.  
28 288.1045 and the tax refund program for qualified target  
29 industry businesses authorized by s. 288.106.

30 2. Information relative to tax credits taken by a  
31 business under s. 220.191 and exemptions or tax refunds

1 received by a business under s. 212.08(5)(j) to the Office of  
2 Tourism, Trade, and Economic Development, or its employees or  
3 agents that are identified in writing by the office to the  
4 department, in the administration and evaluation of the  
5 capital investment tax credit program authorized in s. 220.191  
6 and the semiconductor, defense, and space tax exemption  
7 program authorized in s. 212.08(5)(j).

8  
9 Disclosure of information under this subsection shall be  
10 pursuant to a written agreement between the executive director  
11 and the agency. Such agencies, governmental or  
12 nongovernmental, shall be bound by the same requirements of  
13 confidentiality as the Department of Revenue. Breach of  
14 confidentiality is a misdemeanor of the first degree,  
15 punishable as provided by s. 775.082 or s. 775.083.

16 Section 7. Sections 7 and 8 of this act may be cited  
17 as the "Tourism Industry Recovery Act of 2002."

18 Section 8. Paragraphs (l) and (n) of subsection (3) of  
19 section 125.0104, Florida Statutes, are amended to read:

20 125.0104 Tourist development tax; procedure for  
21 levying; authorized uses; referendum; enforcement.--

22 (3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.--

23 (1) In addition to any other tax which is imposed  
24 pursuant to this section, a county may impose up to an  
25 additional 1-percent tax on the exercise of the privilege  
26 described in paragraph (a) by majority vote of the governing  
27 board of the county in order to:

28 1. Pay the debt service on bonds issued to finance the  
29 construction, reconstruction, or renovation of a professional  
30 sports franchise facility, or the acquisition, construction,  
31 reconstruction, or renovation of a retained spring training



1 franchise facility, either publicly owned and operated, or  
2 publicly owned and operated by the owner of a professional  
3 sports franchise or other lessee with sufficient expertise or  
4 financial capability to operate such facility, and to pay the  
5 planning and design costs incurred prior to the issuance of  
6 such bonds.

7         2. Pay the debt service on bonds issued to finance the  
8 construction, reconstruction, or renovation of a convention  
9 center, and to pay the planning and design costs incurred  
10 prior to the issuance of such bonds.

11         3. Pay the operation and maintenance costs of a  
12 convention center for a period of up to 10 years. Only  
13 counties that have elected to levy the tax for the purposes  
14 authorized in subparagraph 2. may use the tax for the purposes  
15 enumerated in this subparagraph. Any county that elects to  
16 levy the tax for the purposes authorized in subparagraph 2.  
17 after July 1, 2000, may use the proceeds of the tax to pay the  
18 operation and maintenance costs of a convention center for the  
19 life of the bonds.

20         4. Promote and advertise tourism in the State of  
21 Florida and nationally and internationally; however, if tax  
22 revenues are expended for an activity, service, venue, or  
23 event, the activity, service, venue, or event shall have as  
24 one of its main purposes the attraction of tourists as  
25 evidenced by the promotion of the activity, service, venue, or  
26 event to tourists.

27  
28 The provision of paragraph (b) which prohibits any county  
29 authorized to levy a convention development tax pursuant to s.  
30 212.0305 from levying more than the 2-percent tax authorized  
31 by this section, and the provisions of paragraphs (4)(a)-(d),

1 shall not apply to the additional tax authorized in this  
2 paragraph. The effective date of the levy and imposition of  
3 the tax authorized under this paragraph shall be the first day  
4 of the second month following approval of the ordinance by the  
5 governing board or the first day of any subsequent month as  
6 may be specified in the ordinance. A certified copy of such  
7 ordinance shall be furnished by the county to the Department  
8 of Revenue within 10 days after approval of such ordinance.

9 (n) In addition to any other tax that is imposed under  
10 this section, a county that has imposed the tax under  
11 paragraph (l) may impose an additional tax that is no greater  
12 than 1 percent on the exercise of the privilege described in  
13 paragraph (a) by a majority plus one vote of the membership of  
14 the board of county commissioners in order to:

15 1. Pay the debt service on bonds issued to finance:

16 a.1. The construction, reconstruction, or renovation  
17 of a facility either publicly owned and operated, or publicly  
18 owned and operated by the owner of a professional sports  
19 franchise or other lessee with sufficient expertise or  
20 financial capability to operate such facility, and to pay the  
21 planning and design costs incurred prior to the issuance of  
22 such bonds for a new professional sports franchise as defined  
23 in s. 288.1162.

24 b.2. The acquisition, construction, reconstruction, or  
25 renovation of a facility either publicly owned and operated,  
26 or publicly owned and operated by the owner of a professional  
27 sports franchise or other lessee with sufficient expertise or  
28 financial capability to operate such facility, and to pay the  
29 planning and design costs incurred prior to the issuance of  
30 such bonds for a retained spring training franchise.

31

1           2. Promote and advertise tourism in the State of  
2 Florida and nationally and internationally; however, if tax  
3 revenues are expended for an activity, service, venue, or  
4 event, the activity, service, venue, or event shall have as  
5 one of its main purposes the attraction of tourists as  
6 evidenced by the promotion of the activity, service, venue, or  
7 event to tourists.

8  
9 A county that imposes the tax authorized in this paragraph may  
10 not expend any ad valorem tax revenues for the acquisition,  
11 construction, reconstruction, or renovation of a that facility  
12 for which tax revenues are used pursuant to subparagraph 1.

13 The provision of paragraph (b) which prohibits any county  
14 authorized to levy a convention development tax pursuant to s.  
15 212.0305 from levying more than the 2-percent tax authorized  
16 by this section shall not apply to the additional tax  
17 authorized by this paragraph in counties which levy convention  
18 development taxes pursuant to s. 212.0305(4)(a). Subsection  
19 (4) does not apply to the adoption of the additional tax  
20 authorized in this paragraph. The effective date of the levy  
21 and imposition of the tax authorized under this paragraph is  
22 the first day of the second month following approval of the  
23 ordinance by the board of county commissioners or the first  
24 day of any subsequent month specified in the ordinance. A  
25 certified copy of such ordinance shall be furnished by the  
26 county to the Department of Revenue within 10 days after  
27 approval of the ordinance.

28           Section 9. Notwithstanding section 18 of CS for CS for  
29 SB 1360, 2002 Regular Session, section 197.1722, Florida  
30 Statutes, as created by section 16 of that bill, shall not  
31 take effect January 1, 2003, but shall take effect on the date

1 CS for CS for SB 1360, Regular Session, becomes a law and  
2 shall apply retroactively to January 1, 2002.

3 Section 10. Notwithstanding any provisions in section  
4 290.0055, Florida Statutes, regarding the size of an  
5 enterprise zone, a county as defined in section 125.011(1),  
6 Florida Statutes, may apply to the Office of Tourism, Trade,  
7 and Economic Development before October 1, 2002, to amend the  
8 boundary lines of its existing enterprise zone in order to add  
9 an area not exceeding 4 square miles. The area proposed for  
10 addition to the enterprise zone under this section must be  
11 contiguous to a portion of the existing enterprise zone and  
12 must be part of a revitalization area that has been targeted  
13 for assistance by the county or by a municipality within the  
14 county. The area proposed for addition to the enterprise zone  
15 also must contain a high concentration of individuals who have  
16 immigrated to this state from Haiti. The Office of Tourism,  
17 Trade, and Economic Development shall approve an amendment to  
18 the enterprise zone boundary lines, effective January 1, 2003,  
19 provided that the area proposed for addition to the enterprise  
20 zone is consistent with the criteria and conditions imposed by  
21 section 290.0055, Florida Statutes, upon the establishment of  
22 enterprise zones, including the requirement that the area  
23 suffer from pervasive poverty, unemployment, and general  
24 distress.

25 Section 11. Notwithstanding any provisions in section  
26 290.0055, Florida Statutes, regarding the size of an  
27 enterprise zone, a county as defined in section 125.011(1),  
28 Florida Statutes, may apply to the Office of Tourism, Trade,  
29 and Economic Development before October 1, 2002, to amend the  
30 boundary lines of its existing enterprise zone in order to add  
31 an area not exceeding 4 square miles. The area proposed for

1 addition to the enterprise zone under this section must be  
2 contiguous to a portion of the existing enterprise zone and  
3 must be part of a revitalization area that has been targeted  
4 for assistance by a commission authorized in section 163.06,  
5 Florida Statutes. The Office of Tourism, Trade, and Economic  
6 Development shall approve an amendment to the enterprise zone  
7 boundary lines, effective January 1, 2003, provided that the  
8 area proposed for addition to the enterprise zone is  
9 consistent with the criteria and conditions imposed by section  
10 290.0055, Florida Statutes, upon the establishment of  
11 enterprise zones, including the requirement that the area  
12 suffer from pervasive poverty, unemployment, and general  
13 distress. The area proposed for addition to the enterprise  
14 zone under this section may not include any property used for  
15 the benefit of a professional sports franchise. Any portion of  
16 the area designated under this section by the Office of  
17 Tourism, Trade, and Economic Development as an addition to an  
18 enterprise zone shall automatically lose its status as part of  
19 an enterprise zone if such portion subsequently includes  
20 property used for the benefit of a professional sports  
21 franchise.

22       Section 12. Sections of this act authorizing a county  
23 as defined in section 125.011(1), Florida Statutes, to amend  
24 and expand the boundary lines of an existing enterprise zone  
25 are not mutually exclusive.

26       Section 13. Section 290.00686, Florida Statutes, is  
27 created to read:

28       290.00686 Enterprise zone designation for Brevard  
29 County, Cocoa, or Brevard County and Cocoa.--Brevard County,  
30 the City of Cocoa, or Brevard County and the City of Cocoa  
31 jointly, may apply to the Office of Tourism, Trade, and

1 Economic Development for designation of one enterprise zone  
2 encompassing an area which includes the boundaries of the  
3 three community redevelopment areas established pursuant to  
4 part III of chapter 163. The application must be submitted by  
5 December 31, 2002, and must comply with the requirements of  
6 section 290.0055. Notwithstanding the provisions of section  
7 290.0065 limiting the total number of enterprise zones  
8 designated and the number of enterprise zones within a  
9 population category, the Office of Tourism, Trade, and  
10 Economic Development may designate one enterprise zone under  
11 this section. The Office of Tourism, Trade, and Economic  
12 Development shall establish the initial effective date of the  
13 enterprise zone designated pursuant to this section.

14       Section 14. Enterprise zone designation for the City  
15 of Pensacola.--The City of Pensacola may apply to the Office  
16 of Tourism, Trade, and Economic Development for designation of  
17 one enterprise zone within the city, which zone encompasses an  
18 area up to 10 contiguous square miles. The application must  
19 be submitted by December 31, 2002, and must comply with the  
20 requirements of section 290.0055, Florida Statutes, except  
21 subsection (3) thereof. Notwithstanding the provisions of  
22 section 290.0065, Florida Statutes, limiting the total number  
23 of enterprise zones designated and the number of enterprise  
24 zones within a population category, the Office of Tourism,  
25 Trade, and Economic Development may designate one enterprise  
26 zone under this section. The Office of Tourism, Trade, and  
27 Economic Development shall establish the initial effective  
28 date of the enterprise zone designated pursuant to this  
29 section.

30       Section 15. Enterprise zone designation for Leon  
31 County.--Leon County, or Leon County and the City of

1 Tallahassee jointly, may apply to the Office of Tourism,  
2 Trade, and Economic Development for designation of one  
3 enterprise zone, the selected area of which shall not exceed  
4 20 square miles and shall have a continuous boundary, or  
5 consist of not more than three noncontiguous areas per section  
6 290.0055(4)(a), Florida Statutes. The enterprise zone shall  
7 encompass an area or areas within the following Census tracts  
8 for Leon County pursuant to the 1990 Census:

9  
10 Census tract 1, block group 1; census tract 2, block group 1;  
11 census tract 2, block group 3; census tract 2, block group 4;  
12 census tract 3, block group 1; census tract 4, block group 1;  
13 census tract 4, block group 2; census tract 5, block group 1;  
14 census tract 5, block group 2; census tract 6, block group 1;  
15 census tract 6, block group 2; census tract 6, block group 3;  
16 census tract 6, block group 4; census tract 7, block group 1;  
17 census tract 7, block group 2; census tract 7, block group 3;  
18 census tract 10.01, block group 1; census tract 10.01, block  
19 group 2; census tract 10.01, block group 3; census tract  
20 11.01, block group 1; census tract 11.01, block group 2;  
21 census tract 11.01, block group 3; census tract 11.02, block  
22 group 1; census tract 11.02, block group 3; census tract 12,  
23 block group 1; census tract 13, block group 1; census tract  
24 13, block group 2; census tract 14, block group 1; census  
25 tract 14, block group 2; census tract 14, block group 3;  
26 census tract 14, block group 4; census tract 14, block group  
27 5; census tract 15, block group 1; census tract 16.01, block  
28 group 1; census tract 18, block group 3; census tract 18,  
29 block group 4; census tract 19, block group 1; census tract  
30 19, block group 3; census tract 19, block group 4; census  
31 tract 20.01, block group 1; census tract 20.01, block group 2;

1 census tract 20.01, block group 3; census tract 20.01, block  
2 group 4; census tract 20.01, block group 5; census tract  
3 20.02, block group 1; census tract 20.02, block group 2;  
4 census tract 20.02, block group 3; census tract 20.02, block  
5 group 5; census tract 21, block group 1; census tract 21,  
6 block group 3; census tract 21, block group 4; census tract  
7 21, block group 5; census tract 21, block group 7; census  
8 tract 22.01, block group 1; census tract 23.01, block group 3;  
9 census tract 23.01, block group 5; census tract 26.02, block  
10 group 4.

11  
12 The application must be submitted by December 31, 2002, and  
13 must comply with the requirements of section 290.0055, Florida  
14 Statutes. Notwithstanding the provisions of section 290.0065,  
15 Florida Statutes, limiting the total number of enterprise  
16 zones designated and the number of enterprise zones within a  
17 population category, the Office of Tourism, Trade, and  
18 Economic Development may designate one enterprise zone under  
19 this section. The Office of Tourism, Trade, and Economic  
20 Development shall establish the initial effective date of the  
21 enterprise zone designated pursuant to this section.

22 Section 16. Effective upon this act becoming a law,  
23 section 11.35, Florida Statutes, is created to read:

24 11.35 Joint Legislative Committee on Tax Exemptions;  
25 membership; duties.--

26 (1) The Joint Legislative Committee on Tax Exemptions  
27 is created as a joint standing committee of the Legislature  
28 composed of 12 members, 6 of whom are members of the Senate  
29 appointed by the President of the Senate and 6 of whom are  
30 members of the House of Representatives appointed by the  
31 Speaker of the House of Representatives. The terms of members



1 are 2 years and run from one organization session of the  
2 Legislature to the following organization session. In each  
3 even-numbered year, the President of the Senate shall appoint  
4 a member of the Senate to serve as chair for a term of 1 year;  
5 and, in each odd-numbered year, the Speaker of the House of  
6 Representatives shall appoint a member of the House of  
7 Representatives to serve as chair for a term of 1 year. A  
8 vacancy is to be filled for the unexpired portion of the term  
9 in the same manner as the original appointment.

10 (2) The committee shall conduct a periodic review of  
11 all exemptions from taxation under chapter 212, Florida  
12 Statutes, except those specified in section 212.25(3), Florida  
13 Statutes. The committee must complete the first of its reviews  
14 by December 1, 2004, and its initial review of all exemptions  
15 by December 1, 2009. For purposes of the review, the committee  
16 shall:

17 (a) Assign each exemption to a discrete category of  
18 exemptions, placing, to the extent practicable, similar and  
19 related exemptions within the same category. The committee  
20 shall identify discrete classes of transactions exempted by s.  
21 212.25(2) and assign the exemption of each class to the  
22 appropriate category.

23 (b) Schedule, for each year, one or more of the  
24 categories to be reviewed before the following regular session  
25 of the Legislature. Each category must be reviewed once by  
26 December 1, 2009. By December 1, 2003, the committee shall  
27 prepare, and submit to the President of the Senate and the  
28 Speaker of the House of Representatives for introduction at  
29 the 2004 regular session of the Legislature, a proposed bill  
30 that amends the statutes to set the expiration date for each  
31 exemption 18 months after the year in which it is scheduled

1 for review. The proposed bill shall set July 1, 2006, as the  
2 expiration date for those exemptions which are scheduled to be  
3 reviewed by December 1, 2004.

4 (c) Adopt standards and criteria that it will use for  
5 its review of exemptions and upon which it will base its  
6 recommendation to reauthorize an exemption. In developing  
7 these standards and criteria, the committee should consider  
8 the following principles of taxation:

9 1. Equity.--The Florida tax system should treat  
10 individuals equitably. It should impose similar tax burdens on  
11 people in similar circumstances and should minimize  
12 regressivity.

13 2. Compliance.--The Florida tax system should  
14 facilitate taxpayer compliance. It should be simple and easy  
15 to understand so as to minimize compliance costs and increase  
16 the visibility and awareness of the taxes being paid.  
17 Enforcement and collection of tax revenues should be done in a  
18 fair, consistent, professional, predictable, and  
19 cost-effective manner.

20 3. Promotion of competition.--The Florida tax system  
21 should be responsive to interstate and international  
22 competition in order to encourage savings and investment in  
23 plant, equipment, people, and technology.

24 4. Neutrality.--The Florida tax system should affect  
25 competitors uniformly and not become a tool for "social  
26 engineering." It should minimize government involvement in  
27 investment decisions, making any such involvement explicit,  
28 and should minimize pyramiding.

29 5. Stability.--The Florida tax system should produce  
30 revenues in a stable and reliable manner which are sufficient  
31 to fund appropriate governmental functions and expenditures.

1           6. Integration.--The Florida tax system should balance  
2 the need for integration of federal, state, and local  
3 taxation.

4           7. Public purpose.--Any sales tax exemption should be  
5 based upon a determination that the exemption promotes an  
6 important state interest, including, but not limited to,  
7 economic development, job creation and retention, economic  
8 diversification, and community revitalization.

9           (3) By December 1 of each year, the committee shall  
10 submit to the President of the Senate and the Speaker of the  
11 House of Representatives a separate report for each category  
12 of exemptions reviewed during that year. Each report must  
13 contain the committee's recommendations with respect to each  
14 exemption assigned to that category and include, for  
15 consideration at the next regular session of the Legislature,  
16 a proposed bill to reauthorize, for a period not to exceed 10  
17 years, those exemptions that the committee recommends be  
18 reauthorized and to cleanse the statutes of those exemptions  
19 that the committee recommends be allowed to expire. Each  
20 report must also include, for each exemption for which the  
21 committee makes no recommendation, a separate bill to  
22 reauthorize that exemption for a period not to exceed 10  
23 years. Each proposed bill must provide that each reauthorized  
24 exemption expires on a specified date occurring no more than  
25 10 years after the effective date of the bill and is to be  
26 reviewed pursuant to this section at least 18 months prior to  
27 its expiration.

28           Section 17. Effective upon this act becoming a law,  
29 section 212.25, Florida Statutes, is created to read:

30           212.25 Expiration and review of tax exemptions; status  
31 of transactions neither expressly taxable nor exempt.--

1           (1) Effective July 1, 2011, and on July 1 of every  
2 10th year thereafter, each exemption from taxation under this  
3 chapter expires, except those specified in subsection (3) and  
4 those specifically set by law to expire on another date. Prior  
5 to its expiration, each such exemption shall be reviewed by  
6 the Joint Legislative Committee on Tax Exemptions in  
7 accordance with the law governing such reviews.

8           (2) Until July 1, 2011, any sale of goods or services  
9 that is neither expressly taxable nor expressly exempt from  
10 taxation under this chapter is exempt from such taxation, and  
11 the exemptions provided by this subsection are subject to  
12 review under s. 11.35. Effective July 1, 2011, any sale of  
13 goods or services that is neither expressly taxable nor  
14 expressly exempt from taxation under this chapter is subject  
15 to tax at the same rate as the general tax rate prescribed by  
16 this chapter for the retail sale of items of tangible personal  
17 property.

18           (3) Notwithstanding the other provisions of this  
19 section, the following transactions remain exempt from  
20 taxation under this chapter and are not subject to expiration  
21 or review under this section or s. 11.35: the sale of  
22 groceries, prescription drugs, health services, real property,  
23 intangible personal property, or communications services; the  
24 sale of tangible personal property purchased for resale or  
25 imported, produced, or manufactured in this state for export;  
26 and the payment of residential rent or employee salaries or  
27 benefits.

28           Section 18. Except as otherwise provided in this act,  
29 this act shall take effect upon becoming a law.  
30  
31