

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

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11 Representative(s) Kilmer offered the following:

12

13 **Amendment (with title amendment)**

14 Delete everything after the enacting clause

15

16 and insert:

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

19 288.0655 Rural Infrastructure Fund.--

20 (2)(a) Funds appropriated by the Legislature shall be
21 distributed by the office through ~~a grant programs~~ program
22 that maximize ~~maximizes~~ the use of federal, local, and private
23 resources, including, but not limited to, those available
24 under the Small Cities Community Development Block Grant
25 Program.

26 (b) To facilitate access of rural communities and
27 rural areas of critical economic concern as defined by the
28 Rural Economic Development Initiative to infrastructure
29 funding programs of the Federal Government, such as those
30 offered by the United States Department of Agriculture and the
31 United States Department of Commerce, and state programs,

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1 including those offered by Rural Economic Development
2 Initiative agencies, and to facilitate local government or
3 private infrastructure funding efforts,the office may award
4 grants ~~to applicants for such federal programs~~ for up to 30
5 percent of the total infrastructure project cost. Eligible
6 projects must be related to specific job-creation or
7 job-retention ~~job-creating~~ opportunities. Eligible projects
8 may also include improving any inadequate infrastructure that
9 has resulted in regulatory action that prohibits economic or
10 community growth or reducing the costs to community users of
11 proposed infrastructure improvements that exceed such costs in
12 comparable communities.Eligible uses of funds shall include
13 improvements to public infrastructure for industrial or
14 commercial sites and upgrades to or development of public
15 tourism infrastructure. Authorized infrastructure may include
16 the following public or public-private partnership facilities:
17 storm water systems; telecommunications facilities; roads or
18 other remedies to transportation impediments; nature-based
19 tourism facilities; or other physical requirements necessary
20 to facilitate tourism, trade, and economic development
21 activities in the community. Authorized infrastructure may
22 also include publicly owned self-powered nature-based tourism
23 facilities and additions to the distribution facilities of the
24 existing natural gas utility as defined in s. 366.04(3)(c),
25 the existing electric utility as defined in s. 366.02, or the
26 existing water or wastewater utility as defined in s.
27 367.021(12), or any other existing water or wastewater
28 facility, which owns a gas or electric distribution system or
29 a water or wastewater system in this state where:
30 1. A contribution-in-aid of construction is required
31 to serve public or public-private partnership facilities under

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1 the tariffs of any natural gas, electric, water, or wastewater
2 utility as defined herein; and

3 2. Such utilities as defined herein are willing and
4 able to provide such service.

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

7 288.095 Economic Development Trust Fund.--

8 (3)

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

28 (c) By December 31 ~~September 30~~ of each year,
29 Enterprise Florida, Inc., the Office of Tourism, Trade, and
30 Economic Development shall submit a complete and detailed
31 report to the Governor, the President of the Senate, the

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

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

29 288.1045 Qualified defense contractor tax refund
30 program.--

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

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1 (a) "Consolidation of a Department of Defense
2 contract" means the consolidation of one or more of an
3 applicant's facilities under one or more Department of Defense
4 contracts either from outside this state or from inside and
5 outside this state, into one or more of the applicant's
6 facilities inside this state.

7 (b) "Average wage in the area" means the average of
8 all wages and salaries in the state, the county, or in the
9 standard metropolitan area in which the business unit is
10 located.

11 (c) "Applicant" means any business entity that holds a
12 valid Department of Defense contract or any business entity
13 that is a subcontractor under a valid Department of Defense
14 contract or any business entity that holds a valid contract
15 for the reuse of a defense-related facility, including all
16 members of an affiliated group of corporations as defined in
17 s. 220.03(1)(b).

18 (d) "Office" means the Office of Tourism, Trade, and
19 Economic Development.

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

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1 United States Department of State, or the United States Coast
2 Guard.

3 (f) "New Department of Defense contract" means a
4 Department of Defense contract entered into after the date
5 application for certification as a qualified applicant is made
6 and after January 1, 1994.

7 (g) "Jobs" means full-time equivalent positions,
8 consistent with the use of such terms by the Agency for
9 Workforce Innovation ~~Department of Labor and Employment~~
10 ~~Security~~ for the purpose of unemployment compensation tax,
11 resulting directly from a project in this state. This number
12 does not include temporary construction jobs involved with the
13 construction of facilities for the project.

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

17 (i) "Project" means any business undertaking in this
18 state under a new Department of Defense contract,
19 consolidation of a Department of Defense contract, or
20 conversion of defense production jobs over to nondefense
21 production jobs or reuse of defense-related facilities.

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

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

27 (l) "Taxable year" means the same as in s.
28 220.03(1)(z).

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

30 (n) "Business unit" means an employing unit, as
31 defined in s. 443.036, that is registered with the Agency for

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1 ~~Workforce Innovation Department of Labor and Employment~~
2 ~~Security~~ for unemployment compensation purposes or means a
3 subcategory or division of an employing unit that is accepted
4 by the ~~Agency for Workforce Innovation Department of Labor and~~
5 ~~Employment Security~~ as a reporting unit.

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

19 (p) "Contract for reuse of a defense-related facility"
20 means a contract with a duration of 2 or more years for the
21 use of a facility for manufacturing, assembling, fabricating,
22 research, development, or design of tangible personal
23 property, but excluding any contract to provide goods,
24 improvements to real or tangible property, or services
25 directly to or for any particular military base or
26 installation in this state. Such facility must be located
27 within a port, as defined in s. 313.21, and have been occupied
28 by a business entity that held a valid Department of Defense
29 contract or occupied by any branch of the Armed Forces of the
30 United States, within 1 year of any contract being executed
31 for the reuse of such facility. A contract for reuse of a

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1 defense-related facility may not include any contract for
2 reuse of such facility for any Department of Defense contract
3 for manufacturing, assembling, fabricating, research,
4 development, or design.

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

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

17 (a) There shall be allowed, from the Economic
18 Development Trust Fund, a refund to a qualified applicant for
19 the amount of eligible taxes certified by the director which
20 were paid by such qualified applicant. The total amount of
21 refunds for all fiscal years for each qualified applicant
22 shall be determined pursuant to subsection (3). The annual
23 amount of a refund to a qualified applicant shall be
24 determined pursuant to subsection (5).

25 (b) A qualified applicant may not be qualified for any
26 project to receive more than \$5,000 times the number of jobs
27 provided in the tax refund agreement pursuant to subparagraph
28 (4)(a)1. A qualified applicant may not receive refunds of more
29 than 25 percent of the total tax refunds provided in the tax
30 refund agreement pursuant to subparagraph (4)(a)1. in any
31 fiscal year, provided that no qualified applicant may receive

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1 more than \$2.5 million in tax refunds pursuant to this section
2 in any fiscal year.

3 (c) A qualified applicant may not receive more than
4 \$7.5 million in tax refunds pursuant to this section in all
5 fiscal years.

6 (d) Contingent upon an annual appropriation by the
7 Legislature, the director may approve not more in tax refunds
8 than the amount appropriated to the Economic Development Trust
9 Fund for tax refunds, for a fiscal year pursuant to subsection
10 (5) and s. 288.095.

11 (e) For the first 6 months of each fiscal year, the
12 director shall set aside 30 percent of the amount appropriated
13 for refunds pursuant to this section by the Legislature to
14 provide tax refunds only to qualified applicants who employ
15 500 or fewer full-time employees in this state. Any
16 unencumbered funds remaining undisbursed from this set-aside
17 at the end of the 6-month period may be used to provide tax
18 refunds for any qualified applicants pursuant to this section.

19 (f) After entering into a tax refund agreement
20 pursuant to subsection (4), a qualified applicant may receive
21 refunds from the Economic Development Trust Fund for the
22 following taxes due and paid by the qualified applicant
23 beginning with the applicant's first taxable year that begins
24 after entering into the agreement:

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

27 2. Corporate income taxes paid pursuant to chapter
28 220.

29 3. Intangible personal property taxes paid pursuant to
30 chapter 199.

31 4. Emergency excise taxes paid pursuant to chapter

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1 221.

2 5. Excise taxes paid on documents pursuant to chapter
3 201.

4 6. Ad valorem taxes paid, as defined in s.
5 220.03(1)(a) on June 1, 1996.

6
7 However, a qualified applicant may not receive a tax refund
8 pursuant to this section for any amount of credit, refund, or
9 exemption granted such contractor for any of such taxes. If a
10 refund for such taxes is provided by the office, which taxes
11 are subsequently adjusted by the application of any credit,
12 refund, or exemption granted to the qualified applicant other
13 than that provided in this section, the qualified applicant
14 shall reimburse the Economic Development Trust Fund for the
15 amount of such credit, refund, or exemption. A qualified
16 applicant must notify and tender payment to the office within
17 20 days after receiving a credit, refund, or exemption, other
18 than that provided in this section.

19 (g) Any qualified applicant who fraudulently claims
20 this refund is liable for repayment of the refund to the
21 Economic Development Trust Fund plus a mandatory penalty of
22 200 percent of the tax refund which shall be deposited into
23 the General Revenue Fund. Any qualified applicant who
24 fraudulently claims this refund commits a felony of the third
25 degree, punishable as provided in s. 775.082, s. 775.083, or
26 s. 775.084.

27 (h) Funds made available pursuant to this section may
28 not be expended in connection with the relocation of a
29 business from one community to another community in this state
30 unless the Office of Tourism, Trade, and Economic Development
31 determines that without such relocation the business will move

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1 outside this state or determines that the business has a
2 compelling economic rationale for the relocation which creates
3 additional jobs.

4 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
5 DETERMINATION.--

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

19 (b) Applications for certification based on the
20 consolidation of a Department of Defense contract or a new
21 Department of Defense contract must be submitted to the office
22 as prescribed by the office and must include, but are not
23 limited to, the following information:

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

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

31 3. The Department of Defense contract numbers of the

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1 contract to be consolidated, the new Department of Defense
2 contract number, or the "RFP" number of a proposed Department
3 of Defense contract.

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

7 5. The commencement date for project operations under
8 the contract in this state.

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

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

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

19 9. The amount of:

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

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

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

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

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

30 f. Ad valorem taxes paid
31

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

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

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

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

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

26 (c) Applications for certification based on the
27 conversion of defense production jobs to nondefense production
28 jobs must be submitted to the office as prescribed by the
29 office and must include, but are not limited to, the following
30 information:

31 1. The applicant's federal employer identification

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1 number, the applicant's Florida sales tax registration number,
2 and a notarized signature of an officer of the applicant.

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

7 3. The Department of Defense contract numbers of the
8 contract under which the defense production jobs will be
9 converted to nondefense production jobs.

10 4. The date the contract was executed, and the date
11 the contract is due to expire or is expected to expire, or was
12 canceled.

13 5. The commencement date for the nondefense production
14 operations in this state.

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

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

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

25 9. The amount of:

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

28 b. Corporate income taxes paid pursuant to chapter
29 220;

30 c. Intangible personal property taxes paid pursuant to
31 chapter 199;

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

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

5 1. The applicant's Florida sales tax registration
6 number and a notarized signature of an officer of the
7 applicant.

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

12 3. The business entity holding a valid Department of
13 Defense contract or branch of the Armed Forces of the United
14 States that previously occupied the facility, and the date
15 such entity last occupied the facility.

16 4. A copy of the contract to reuse the facility, or
17 such alternative proof as may be prescribed by the office that
18 the applicant is seeking to contract for the reuse of such
19 facility.

20 5. The date the contract to reuse the facility was
21 executed or is expected to be executed, and the date the
22 contract is due to expire or is expected to expire.

23 6. The commencement date for project operations under
24 the contract in this state.

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

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

31 9. The amount of:

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- 1 a. Taxes on sales, use, and other transactions paid
2 pursuant to chapter 212.
- 3 b. Corporate income taxes paid pursuant to chapter
4 220.
- 5 c. Intangible personal property taxes paid pursuant to
6 chapter 199.
- 7 d. Emergency excise taxes paid pursuant to chapter
8 221.
- 9 e. Excise taxes paid on documents pursuant to chapter
10 201.
- 11 f. Ad valorem taxes paid during the 5 fiscal years
12 immediately preceding the date of the application, and the
13 projected amounts of such taxes to be due in the 3 fiscal
14 years immediately following the date of the application.
- 15 10. The estimated amount of tax refunds to be claimed
16 for ~~in~~ each fiscal year.
- 17 11. A brief statement concerning the applicant's need
18 for tax refunds, and the proposed uses of such refunds by the
19 applicant.
- 20 12. A resolution adopted by the county commissioners
21 of the county in which the project will be located, which
22 recommends the applicant be approved as a qualified applicant,
23 and which indicates that the necessary commitments of local
24 financial support for the applicant exist. Prior to the
25 adoption of the resolution, the county commission may review
26 the proposed public or private sources of such support and
27 determine whether the proposed sources of local financial
28 support can be provided or, for any applicant whose project is
29 located in a county designated by the Rural Economic
30 Development Initiative, a resolution adopted by the county
31 commissioners of such county requesting that the applicant's

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1 project be exempt from the local financial support
2 requirement.

3 13. Any additional information requested by the
4 office.

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

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

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

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

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

26 5. A business unit of the applicant must have derived
27 not less than 60 ~~70~~ percent of its gross receipts in this
28 state from Department of Defense contracts over the
29 applicant's last fiscal year, and must have derived not less
30 than an average of 60 ~~80~~ percent of its gross receipts in this
31 state from Department of Defense contracts over the 5 years

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1 preceding the date an application is submitted pursuant to
2 this section. This subparagraph does not apply to any
3 application for certification based on a contract for reuse of
4 a defense-related facility.

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

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

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

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

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

25 4. The local commitment and support for the project
26 and applicant.

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

30 6. The dependence of the local community on the
31 defense industry.

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1 7. The impact of any tax refunds granted pursuant to
2 this section on the viability of the project and the
3 probability that the project will occur in this state if such
4 tax refunds are granted to the applicant, taking into account
5 the expected long-term commitment of the applicant to economic
6 growth and employment in this state.

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

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

27 (h) Within 30 days after receipt of the office's
28 findings and evaluation, the director shall issue a letter of
29 certification which ~~enter a final order that~~ either approves
30 or disapproves an application. The decision must be in writing
31 and provide the justifications for either approval or

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1 disapproval. If appropriate, the director shall enter into a
2 written agreement with the qualified applicant pursuant to
3 subsection (4).

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

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

16 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND
17 AGREEMENT.--

18 (a) A qualified applicant shall enter into a written
19 agreement with the office containing, but not limited to, the
20 following:

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

30 2. The maximum amount of a refund that the qualified
31 applicant is eligible to receive for ~~in~~ each fiscal year,

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1 based on the job creation or retention and maintenance
2 schedule specified in subparagraph 1.

3 3. An agreement with the office allowing the office to
4 review and verify the financial and personnel records of the
5 qualified applicant to ascertain whether the qualified
6 applicant is complying with the requirements of this section.

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

11 5. That local financial support shall be annually
12 available and will be paid to the Economic Development Trust
13 Fund.

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

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

30 2. Upon receipt of a request under subparagraph 1.,
31 the director shall have 45 days to notify the requesting

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1 qualified applicant, in writing, if its exemption has been
2 granted or denied. In determining if an exemption should be
3 granted, the director shall consider the extent to which
4 negative economic conditions in the requesting qualified
5 applicant's industry have prevented the qualified applicant
6 from complying with the terms and conditions of its tax refund
7 agreement.

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

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

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

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

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

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1 points:

2

3 "This agreement is neither a general obligation
4 of the State of Florida, nor is it backed by
5 the full faith and credit of the State of
6 Florida. Payment of tax refunds are conditioned
7 on and subject to specific annual
8 appropriations by the Florida Legislature of
9 funds sufficient to pay amounts authorized in
10 s. 288.1045, Florida Statutes."

11

12 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE
13 CONTRACTOR.--

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

30 (b) The claim for refund by the qualified applicant
31 must include a copy of all receipts pertaining to the payment

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1 of taxes for which a refund is sought, and data related to
2 achieving each performance item contained in the tax refund
3 agreement pursuant to subsection (4). The amount requested as
4 a tax refund may not exceed the amount for the relevant fiscal
5 year in the written agreement entered pursuant to subsection
6 (4).

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

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

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1 extension of this date upon the request of the qualified
2 applicant for the purpose of filing additional information in
3 support of the claim.

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

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

27 (g) A prorated tax refund, less a 5 percent penalty,
28 shall be approved for a qualified applicant provided all other
29 applicable requirements have been satisfied and the applicant
30 proves to the satisfaction of the director that it has
31 achieved at least 80 percent of its projected employment and

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1 that the average wage paid by the qualified applicant is at
2 least 90 percent of the average wage specified in the tax
3 refund agreement, but in no case less than 115 percent of the
4 average private-sector wage in the area available at the time
5 of certification. The prorated tax refund shall be calculated
6 by multiplying the tax refund amount for which the qualified
7 applicant would have been eligible, if all applicable
8 requirements had been satisfied, by the percentage of the
9 average employment specified in the tax refund agreement which
10 was achieved, and by the percentage of the average wages
11 specified in the tax refund agreement which was achieved.

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

14 (6) ADMINISTRATION.--

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

17 (b) The office may verify information provided in any
18 claim submitted for tax credits under this section with regard
19 to employment and wage levels or the payment of the taxes with
20 the appropriate agency or authority including the Department
21 of Revenue, the Agency for Workforce Innovation ~~Department of~~
22 ~~Labor and Employment Security~~, or any local government or
23 authority.

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

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1 (d) By December 1 of each year, the office shall
2 submit a complete and detailed report to the Governor, the
3 President of the Senate, and the Speaker of the House of
4 Representatives of all tax refunds paid under this section,
5 including analyses of benefits and costs, types of projects
6 supported, employment and investment created, geographic
7 distribution of tax refunds granted, and minority business
8 participation. The report must indicate whether the moneys
9 appropriated by the Legislature to the qualified applicant tax
10 refund program were expended in a prudent, fiducially sound
11 manner.

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

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

18 Section 4. Paragraphs (a) and (d) of subsection (3),
19 paragraphs (a), (b), and (c) of subsection (4), and
20 subsections (5) and (6) of section 288.106, Florida Statutes,
21 are amended, and subsection (7) of that section is reenacted,
22 to read:

23 288.106 Tax refund program for qualified target
24 industry businesses.--

25 (3) APPLICATION AND APPROVAL PROCESS.--

26 (a) To apply for certification as a qualified target
27 industry business under this section, the business must file
28 an application with the office before the business has made
29 the decision to locate a new business in this state or before
30 the business had made the decision to expand an existing
31 business in this state. The application shall include, but is

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1 not limited to, the following information:

2 1. The applicant's federal employer identification
3 number and the applicant's state sales tax registration
4 number.

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

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

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

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

20 6. The anticipated commencement date of the project.

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

24 8. An estimate of the proportion of the sales
25 resulting from the project that will be made outside this
26 state.

27 9. A resolution adopted by the governing board of the
28 county or municipality in which the project will be located,
29 which resolution recommends that certain types of businesses
30 be approved as a qualified target industry business and states
31 that the commitments of local financial support necessary for

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1 the target industry business exist. In advance of the passage
2 of such resolution, the office may also accept an official
3 letter from an authorized local economic development agency
4 that endorses the proposed target industry project and pledges
5 that sources of local financial support for such project
6 exist. For the purposes of making pledges of local financial
7 support under this subsection, the authorized local economic
8 development agency shall be officially designated by the
9 passage of a one-time resolution by the local governing
10 authority.

11 10. Any additional information requested by the
12 office.

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

30 (4) TAX REFUND AGREEMENT.--

31 (a) Each qualified target industry business must enter

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1 into a written agreement with the office which specifies, at a
2 minimum:

3 1. The total number of full-time equivalent jobs in
4 this state that will be dedicated to the project, the average
5 wage of those jobs, the definitions that will apply for
6 measuring the achievement of these terms during the pendency
7 of the agreement, and a time schedule or plan for when such
8 jobs will be in place and active in this state. ~~This~~
9 ~~information must be the same as the information contained in~~
10 ~~the application submitted by the business under subsection~~
11 ~~(3).~~

12 2. The maximum amount of tax refunds which the
13 qualified target industry business is eligible to receive on
14 the project and the maximum amount of a tax refund that the
15 qualified target industry business is eligible to receive for
16 in each fiscal year, based on the job creation and maintenance
17 schedule specified in subparagraph 1.

18 3. That the office may review and verify the financial
19 and personnel records of the qualified target industry
20 business to ascertain whether that business is in compliance
21 with this section.

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

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

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1 subsection (3).

2 (b) Compliance with the terms and conditions of the
3 agreement is a condition precedent for the receipt of a tax
4 refund each year. The failure to comply with the terms and
5 conditions of the tax refund agreement results in the loss of
6 eligibility for receipt of all tax refunds previously
7 authorized under this section and the revocation by the
8 director of the certification of the business entity as a
9 qualified target industry business, unless the business is
10 eligible to receive and elects to accept a prorated refund
11 under paragraph (5)(d) or the office grants the business an
12 economic-stimulus exemption.

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

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

27 3. As a condition for receiving a prorated refund
28 under paragraph (5)(d) or an economic-stimulus exemption under
29 this paragraph, a qualified target industry business must
30 agree to renegotiate its tax refund agreement with the office
31 to, at a minimum, ensure that the terms of the agreement

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1 comply with current law and office procedures governing
2 application for and award of tax refunds. Upon approving the
3 award of a prorated refund or granting an economic-stimulus
4 exemption, the office shall renegotiate the tax refund
5 agreement with the business as required by this subparagraph.
6 When amending the agreement of a business receiving an
7 economic-stimulus exemption, the office may extend the
8 duration of the agreement for a period not to exceed 1 year.

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

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

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

23 (5) ANNUAL CLAIM FOR REFUND.--

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

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1 ~~filing date. The application must be made on or after the date~~
2 ~~specified in that agreement.~~

3 (b) The claim for refund by the qualified target
4 industry business must include a copy of all receipts
5 pertaining to the payment of taxes for which the refund is
6 sought and data related to achievement of each performance
7 item specified in the tax refund agreement. The amount
8 requested as a tax refund may not exceed the amount specified
9 for the relevant ~~that~~ fiscal year in that agreement.

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

29 (d) A prorated tax refund, less a 5-percent penalty,
30 shall be approved for a qualified target industry business
31 provided all other applicable requirements have been satisfied

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1 and the business proves to the satisfaction of the director
2 that it has achieved at least 80 percent of its projected
3 employment and that the average wage paid by the business is
4 at least 90 percent of the average wage specified in the tax
5 refund agreement, but in no case less than 115 percent of the
6 average private-sector wage in the area available at the time
7 of certification, or 150 percent or 200 percent of the average
8 private-sector wage if the business requested the additional
9 per-job tax refund authorized in paragraph (2)(b) for wages
10 above those levels. The prorated tax refund shall be
11 calculated by multiplying the tax refund amount for which the
12 qualified target industry business would have been eligible,
13 if all applicable requirements had been satisfied, by the
14 percentage of the average employment specified in the tax
15 refund agreement which was achieved, and by the percentage of
16 the average wages specified in the tax refund agreement which
17 was achieved.

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

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

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

6 (h)~~(g)~~ Upon approval of the tax refund under
7 paragraphs (c), (d), and (e), the Comptroller shall issue a
8 warrant for the amount specified in the written final order.
9 If the written final order is appealed, the Comptroller may
10 not issue a warrant for a refund to the qualified target
11 industry business until the conclusion of all appeals of that
12 order.

13 (6) ADMINISTRATION.--

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

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

29 (c) Funds specifically appropriated for the tax refund
30 program for qualified target industry businesses may not be
31 used for any purpose other than the payment of tax refunds

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1 authorized by this section.

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

3 Section 5. Paragraph (k) of subsection (7) of section
4 213.053, Florida Statutes, is amended to read:

5 213.053 Confidentiality and information sharing.--

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

8 (k)1. Payment information relative to chapters 199,
9 201, 212, 220, and 221, and 624 to the Office of Tourism,
10 Trade, and Economic Development, or its employees or agents
11 that are identified in writing by the office to the
12 department, in the its administration of the tax refund
13 program for qualified defense contractors authorized by s.
14 288.1045 and the tax refund program for qualified target
15 industry businesses authorized by s. 288.106.

16 2. Information relative to tax credits taken by a
17 business under s. 220.191 and exemptions or tax refunds
18 received by a business under s. 212.08(5)(j) to the Office of
19 Tourism, Trade, and Economic Development, or its employees or
20 agents that are identified in writing by the office to the
21 department, in the administration and evaluation of the
22 capital investment tax credit program authorized in s. 220.191
23 and the semiconductor, defense, and space tax exemption
24 program authorized in s. 212.08(5)(j).

25
26 Disclosure of information under this subsection shall be
27 pursuant to a written agreement between the executive director
28 and the agency. Such agencies, governmental or
29 nongovernmental, shall be bound by the same requirements of
30 confidentiality as the Department of Revenue. Breach of
31 confidentiality is a misdemeanor of the first degree,

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1 punishable as provided by s. 775.082 or s. 775.083.

2 Section 6. Paragraph (j) of subsection (5) of section
3 212.08, Florida Statutes, is amended to read:

4 212.08 Sales, rental, use, consumption, distribution,
5 and storage tax; specified exemptions.--The sale at retail,
6 the rental, the use, the consumption, the distribution, and
7 the storage to be used or consumed in this state of the
8 following are hereby specifically exempt from the tax imposed
9 by this chapter.

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

11 (j) Machinery and equipment used in semiconductor,
12 defense, or space technology production and research and
13 development.--

14 1.a. Industrial machinery and equipment used in
15 semiconductor technology facilities certified under
16 subparagraph 6. to manufacture, process, compound, or produce
17 semiconductor technology products for sale or for use by these
18 facilities are exempt from the tax imposed by this chapter.
19 For purposes of this paragraph, industrial machinery and
20 equipment includes molds, dies, machine tooling, other
21 appurtenances or accessories to machinery and equipment,
22 testing equipment, test beds, computers, and software, whether
23 purchased or self-fabricated, and, if self-fabricated,
24 includes materials and labor for design, fabrication, and
25 assembly.

26 b. Industrial machinery and equipment used in defense
27 or space technology facilities certified under subparagraph 6.
28 to manufacture, process, compound, or produce defense
29 technology products or space technology products for sale or
30 for use by these facilities are exempt from 25 percent of the
31 tax imposed by this chapter.

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1 2.a. Machinery and equipment are exempt from the tax
2 imposed by this chapter if used predominately in semiconductor
3 wafer research and development activities in a semiconductor
4 technology research and development facility certified under
5 subparagraph 6. For purposes of this paragraph, machinery and
6 equipment includes molds, dies, machine tooling, other
7 appurtenances or accessories to machinery and equipment,
8 testing equipment, test beds, computers, and software, whether
9 purchased or self-fabricated, and, if self-fabricated,
10 includes materials and labor for design, fabrication, and
11 assembly.

12 b. Machinery and equipment are exempt from 25 percent
13 of the tax imposed by this chapter if used predominately in
14 defense or space research and development activities in a
15 defense or space technology research and development facility
16 certified under subparagraph 6.

17 3. Building materials purchased for use in
18 manufacturing or expanding clean rooms in
19 semiconductor-manufacturing facilities are exempt from the tax
20 imposed by this chapter.

21 4. In addition to meeting the criteria mandated by
22 subparagraph 1., subparagraph 2., or subparagraph 3., a
23 business must be certified by the Office of Tourism, Trade,
24 and Economic Development as authorized in this paragraph in
25 order to qualify for exemption under this paragraph.

26 5. For items purchased tax exempt pursuant to this
27 paragraph, possession of a written certification from the
28 purchaser, certifying the purchaser's entitlement to exemption
29 pursuant to this paragraph, relieves the seller of the
30 responsibility of collecting the tax on the sale of such
31 items, and the department shall look solely to the purchaser

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1 for recovery of tax if it determines that the purchaser was
2 not entitled to the exemption.

3 6.a. To be eligible to receive the exemption provided
4 by subparagraph 1., subparagraph 2., or subparagraph 3., a
5 qualifying business entity shall apply to Enterprise Florida,
6 Inc. The application shall be developed by the Office of
7 Tourism, Trade, and Economic Development in consultation with
8 Enterprise Florida, Inc.

9 b. Enterprise Florida, Inc., shall review each
10 submitted application and information and determine whether or
11 not the application is complete within 5 working days. Once an
12 application is complete, Enterprise Florida, Inc., shall,
13 within 10 working days, evaluate the application and recommend
14 approval or disapproval of the application to the Office of
15 Tourism, Trade, and Economic Development.

16 c. Upon receipt of the application and recommendation
17 from Enterprise Florida, Inc., the Office of Tourism, Trade,
18 and Economic Development shall certify within 5 working days
19 those applicants who are found to meet the requirements of
20 this section and notify the applicant, Enterprise Florida,
21 Inc., and the department of the certification. If the Office
22 of Tourism, Trade, and Economic Development finds that the
23 applicant does not meet the requirements of this section, it
24 shall notify the applicant and Enterprise Florida, Inc.,
25 within 10 working days that the application for certification
26 has been denied and the reasons for denial. The Office of
27 Tourism, Trade, and Economic Development has final approval
28 authority for certification under this section.

29 7.a. A business may apply once each year for the
30 exemption.

31 b. The application must indicate, for program

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1 evaluation purposes only, the average number of full-time
2 equivalent employees at the facility over the preceding
3 calendar year, the average wage and benefits paid to those
4 employees over the preceding calendar year, the total
5 investment made in real and tangible personal property over
6 the preceding calendar year, and the total value of tax-exempt
7 purchases and taxes exempted during the previous year. The
8 department shall assist the Office of Tourism, Trade, and
9 Economic Development in evaluating and verifying information
10 provided in the application for exemption.

11 c. The Office of Tourism, Trade, and Economic
12 Development may use the information reported on the
13 application for evaluation purposes only and shall prepare an
14 annual report on the exemption program and its cost and
15 impact. The annual report for the preceding fiscal year shall
16 be submitted to the Governor, the President of the Senate, and
17 the Speaker of the House of Representatives by September 30 of
18 each fiscal year. ~~This report may be submitted in conjunction
19 with the annual report required in s. 288.095(3)(c).~~

20 8. A business certified to receive this exemption may
21 elect to designate one or more state universities or community
22 colleges as recipients of up to 100 percent of the amount of
23 the exemption for which they may qualify. To receive these
24 funds, the institution must agree to match the funds so earned
25 with equivalent cash, programs, services, or other in-kind
26 support on a one-to-one basis in the pursuit of research and
27 development projects as requested by the certified business.
28 The rights to any patents, royalties, or real or intellectual
29 property must be vested in the business unless otherwise
30 agreed to by the business and the university or community
31 college.

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- 1 9. As used in this paragraph, the term:
- 2 a. "Predominately" means at least 50 percent of the
- 3 time in qualifying research and development.
- 4 b. "Research and development" means basic and applied
- 5 research in the science or engineering, as well as the design,
- 6 development, and testing of prototypes or processes of new or
- 7 improved products. Research and development does not include
- 8 market research, routine consumer product testing, sales
- 9 research, research in the social sciences or psychology,
- 10 nontechnological activities, or technical services.
- 11 c. "Semiconductor technology products" means raw
- 12 semiconductor wafers or semiconductor thin films that are
- 13 transformed into semiconductor memory or logic wafers,
- 14 including wafers containing mixed memory and logic circuits;
- 15 related assembly and test operations; active-matrix flat panel
- 16 displays; semiconductor chips; semiconductor lasers;
- 17 optoelectronic elements; and related semiconductor technology
- 18 products as determined by the Office of Tourism, Trade, and
- 19 Economic Development.
- 20 d. "Clean rooms" means manufacturing facilities
- 21 enclosed in a manner that meets the clean manufacturing
- 22 requirements necessary for high-technology
- 23 semiconductor-manufacturing environments.
- 24 e. "Defense technology products" means products that
- 25 have a military application, including, but not limited to,
- 26 weapons, weapons systems, guidance systems, surveillance
- 27 systems, communications or information systems, munitions,
- 28 aircraft, vessels, or boats, or components thereof, which are
- 29 intended for military use and manufactured in performance of a
- 30 contract with the United States Department of Defense or the
- 31 military branch of a recognized foreign government or a

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1 subcontract thereunder which relates to matters of national
2 defense.

3 f. "Space technology products" means products that are
4 specifically designed or manufactured for application in space
5 activities, including, but not limited to, space launch
6 vehicles, missiles, satellites or research payloads, avionics,
7 and associated control systems and processing systems. The
8 term does not include products that are designed or
9 manufactured for general commercial aviation or other uses
10 even though those products may also serve an incidental use in
11 space applications.

12 Section 7. Subsection (7) of section 288.108, Florida
13 Statutes, is amended to read:

14 288.108 High-impact business.--

15 (7) REPORTING.--The office shall by December 1 of each
16 year issue a complete and detailed report of all designated
17 high-impact sectors, all applications received and their
18 disposition, all final orders issued, and all payments made,
19 including analyses of benefits and costs, types of projects
20 supported, and employment and investments created. The report
21 shall be submitted to the Governor, the President of the
22 Senate, and the Speaker of the House of Representatives. ~~The~~
23 ~~report may be combined with the incentives report required in~~
24 ~~s. 288.095.~~

25 Section 8. This act shall take effect upon becoming a
26 law.

27
28

29 ===== T I T L E A M E N D M E N T =====

30 And the title is amended as follows:

31 Delete everything before the enacting clause

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1 and insert:

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

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

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1 office may verify information and to which the
2 office may provide information; expanding
3 purposes for which the office may seek
4 assistance from certain entities; specifying
5 that certain appropriations may not be used for
6 any purpose other than the payment of specified
7 tax refunds; amending s. 213.053, F.S.;
8 authorizing the Department of Revenue to
9 provide certain information concerning
10 specified tax-refund programs with the Office
11 of Tourism, Trade, and Economic Development and
12 specified agents; amending ss. 212.08 and
13 288.108, F.S.; removing references, to conform;
14 providing an effective date.

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