Florida Senate - 2003

By the Committee on Military and Veterans' Affairs, Base Protection, and Spaceports; and Senator Fasano

| | 301-2071-03 |
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| 1 | A bill to be entitled |
| 2 | An act relating to space-related growth and |
| 3 | development; amending s. 288.075, F.S.; |
| 4 | conforming provisions to changes made by the |
| 5 | act; amending s. 331.303, F.S.; revising a |
| 6 | definition; amending s. 331.308, F.S.; revising |
| 7 | provisions relating to the board of supervisors |
| 8 | for the Florida Space Authority; amending s. |
| 9 | 331.367, F.S.; conforming provisions to changes |
| 10 | made by the act; amending s. 331.368, F.S.; |
| 11 | revising the membership of the board of |
| 12 | directors for the Florida Space Research |
| 13 | Institute; clarifying the authority of the |
| 14 | Florida Space Research Institute; providing for |
| 15 | the submission of an annual report to the |
| 16 | Commissioner of Education; amending s. 331.401, |
| 17 | F.S.; conforming provisions to changes made by |
| 18 | the act; amending s. 331.403, F.S.; revising |
| 19 | legislative findings and intent; amending s. |
| 20 | 331.405, F.S.; defining the term "aerospace"; |
| 21 | amending s. 331.407, F.S.; redesignating the |
| 22 | Florida Commercial Space Finance Corporation as |
| 23 | the Florida Aerospace Finance Corporation; |
| 24 | conforming provisions to changes made by the |
| 25 | act; providing that the Florida Aerospace |
| 26 | Finance Corporation is not an agency for |
| 27 | certain purposes; amending ss. 331.409 and |
| 28 | 331.411, F.S.; conforming provisions to changes |
| 29 | made by the act; providing an effective date. |
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| 31 | Be It Enacted by the Legislature of the State of Florida: |
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1 Section 1. Subsection (1) of section 288.075, Florida 2 Statutes, is amended to read: 3 288.075 Confidentiality of records.--(1) As used in this section, the term "economic 4 5 development agency" means the Office of Tourism, Trade, and 6 Economic Development, any industrial development authority 7 created in accordance with part III of chapter 159 or by 8 special law, the Florida Space Authority created in part II of 9 chapter 331, the Florida Aerospace Finance Commercial Space 10 Financing Corporation created in part III of chapter 331, the 11 public economic development agency of a county or municipality, or any research and development authority 12 13 created in accordance with part V of chapter 159. The term 14 also includes any private agency, person, partnership, corporation, or business entity when authorized by the state, 15 a municipality, or a county to promote the general business 16 17 interests or industrial interests of the state or that 18 municipality or county. 19 Section 2. Subsection (16) of section 331.303, Florida 20 Statutes, is amended to read: 21 331.303 Definitions.--(16) "Project" means any development, improvement, 22 property, launch, utility, facility, system, works, road, 23 24 sidewalk, enterprise, service, or convenience, which may include coordination with Enterprise Florida, Inc., the Board 25 of Education Regents, and the Space Research Foundation; any 26 rocket, capsule, module, launch facility, assembly facility, 27 28 operations or control facility, tracking facility, 29 administrative facility, or any other type of space-related transportation vehicle, station, or facility; any type of 30 31 equipment or instrument to be used or useful in connection 2

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with any of the foregoing; any type of intellectual property 1 2 and intellectual property protection in connection with any of 3 the foregoing including, without limitation, any patent, 4 copyright, trademark, and service mark for, among other 5 things, computer software; any water, wastewater, gas, or б electric utility system, plant, or distribution or collection 7 system; any small business incubator initiative, including any 8 startup aerospace company, research and development company, 9 research and development facility, storage facility, and 10 consulting service; or any tourism initiative, including any 11 space experience attraction, space-launch-related activity, and space museum sponsored or promoted by the authority. 12 Section 3. Subsection (1) of section 331.308, Florida 13 Statutes, is amended to read: 14 331.308 Board of supervisors.--15 (1) There is created within the Florida Space 16 17 Authority a board of supervisors consisting of eight regular 18 members, who shall be appointed by the Governor, and two ex 19 officio nonvoting members, one of whom shall be a state 20 senator selected by the President of the Senate and one of whom shall be a state representative selected by the Speaker 21 of the House of Representatives. The Lieutenant Governor, who 22 is the state's space policy leader, shall preside over 23 24 meetings serve as chair of the board of supervisors, and shall 25 cast the deciding vote if the votes of the eight regular members result in a tie. The board shall elect a chair to 26 27 preside in the absence of the Lieutenant Governor and to 28 perform such other duties as may be designated.All regular 29 members shall be subject to confirmation by the Senate at the next regular session of the Legislature. Existing board 30 31 members are not prohibited from reappointment. Each of the 3

1 regular board members must be a resident of the state and must 2 have experience in the aerospace or commercial space industry 3 or in finance or have other significant relevant experience. A 4 private sector legal entity may not have more than one person 5 serving on the board at any one time. One regular member shall б represent organized labor interests, one regular member shall 7 represent minority interests, and four regular members must 8 represent space industry, at least one of whom must also be from a small business, as defined in s. 288.703. For the 9 purpose of this section, "space industry" includes private 10 11 sector entities engaged in space flight business, as defined in s. 212.031, research and technology development of 12 13 space-based products and services, space station commercialization, development of spaceport and range 14 15 technology, remote sensing products and services, space biotechnology, measurement and calibration of space assets, 16 17 space-related software and information technology development, 18 design and architecture of space-based assets and facilities 19 for manufacturing and other purposes, space-related nanotechnology, space tourism, and other commercial 20 21 enterprises utilizing uniquely space-based capabilities. Section 4. Paragraph (b) of subsection (2) of section 22 23 331.367, Florida Statutes, is amended to read: 24 331.367 Spaceport Management Council.--25 (2) The council shall make recommendations regarding: The projects and levels of commercial financing 26 (b) 27 required from the Florida Aerospace Finance Commercial Space 28 Financing Corporation created by s. 331.407. 29 Section 5. Section 331.368, Florida Statutes, is 30 amended to read: 331.368 Florida Space Research Institute.--31 4

1 (1) There is created the Florida Space Research 2 Institute, the purpose of which is to serve as an 3 industry-driven center for research, leveraging the state's resources in a collaborative effort to support Florida's space 4 5 industry and its expansion, diversification, and transition to commercialization. б 7 (2) The institute shall operate as a public/private 8 partnership under the direction of a board composed of: 9 (a) A representative of the Florida Space Authority. 10 (b) A representative of Enterprise Florida, Inc. 11 A representative of the Florida Aviation Aerospace (C) Alliance. 12 13 (d) A representative of the Florida Space Business Roundtable. 14 (e) Additional private-sector representatives from the 15 space industry selected collaboratively by the core members 16 17 specified in paragraphs (a)-(d). The additional space industry 18 representatives under this paragraph must comprise the 19 majority of members of the board and must be from geographic 20 regions throughout the state. Each private-sector 21 representative shall be appointed to a term of 3 years. (f) Two representatives from the educational community 22 who are selected collaboratively by the core members specified 23 24 in paragraphs (a)-(d) and who are engaged in research or instruction related to the space industry. One representative 25 must be from a community college, and one representative must 26 27 be from a public or private university. Each educational 28 representative shall be appointed to a term of 2 years. 29 Additional ex officio, nonvoting representatives (q) 30 selected collaboratively by the core members. 31

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| 1 | (3) Annually, the members of the board shall select |
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| 2 | one of the members to serve as chair, who shall be responsible |
| 3 | for convening and leading meetings of the board. |
| 4 | (4) Board members are considered to be volunteers as |
| 5 | defined in s. 110.501 and shall serve with all protections |
| 6 | provided to volunteers of state agencies under s. 768.1355. |
| 7 | (5) For the purposes of contracts and grants, s. |
| 8 | 216.346 shall apply to the institute's programs with state |
| 9 | universities and community colleges. |
| 10 | (6) The Florida Space Research Institute may: |
| 11 | (a) Acquire property under such conditions as the |
| 12 | board may deem necessary or desirable, and sell or otherwise |
| 13 | dispose of the same. |
| 14 | (b) Serve as a coordinating organization among public |
| 15 | and private academic institutions, industry, and government |
| 16 | agencies to support the expansion and diversification of |
| 17 | Florida's space industry, and to support research and |
| 18 | education programs. |
| 19 | (c) Execute contracts and other documents, adopt |
| 20 | proceedings, and perform any acts determined by the board to |
| 21 | be necessary to carry out the purposes of this section. |
| 22 | (d) Establish a personnel-management system and |
| 23 | procedures, rules, and rates governing administrative and |
| 24 | financial operations of the institute. |
| 25 | (e) Acquire, accept, or administer grants, contracts, |
| 26 | and fees from other organizations to perform activities that |
| 27 | are consistent with the purposes of this section. |
| 28 | (f) Work in partnership with the Florida Space |
| 29 | Authority, Enterprise Florida, Inc., the Department of |
| 30 | Education, and other organizations to support their programs |
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1 to promote the state as a center for space enterprise, 2 research, and technology development. 3 (7) (3) The board of the Florida Space Research Institute shall: 4 5 (a) Set the strategic direction for the space-related 6 research priorities of the state and its space-related 7 businesses, the scope of research projects for the institute, 8 and the timeframes for completion. (b) Invite the participation of public and private 9 10 academic institutions universities, including, but not limited 11 to, the University of Central Florida, the University of Florida, the University of South Florida, Florida State 12 13 University, Florida Institute of Technology, and the University of Miami. 14 (c) Select a lead university to: 15 16 1. Serve as coordinator of research for and as the 17 administrative entity of the institute; 2. Support the institute's development of a statewide 18 19 space research agenda and programs; and 20 3. Develop, and update as necessary, a report recommending ways that the state's public and private 21 universities can work in partnership to support the state's 22 23 space-industry requirements, which report must be completed by 24 December 15, 2000. 25 (d) Establish a partnership with the state Workforce Development Board, or its successor entity, under which the 26 27 institute coordinates the workforce-training requirements 28 identified by the space industry and supports development of 29 workforce-training initiatives to meet such requirements, using training providers approved by the board or its 30 31 successor entity.

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| 1 | (e) Comanage, with the National Aeronautics and Space | |
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| 2 | Administration and subject to the terms of an agreement with | |
| 3 | NASA, operation of a Space Experiment Research and Processing | |
| 4 | Laboratory, if such a facility is constructed on land of the | |
| 5 | John F. Kennedy Space Center. The institute shall carry out | |
| 6 | such responsibility through a consortium of public and private | |
| 7 | universities in the state led by the University of Florida. | |
| 8 | (f) Develop initiatives to foster the participation of | |
| 9 | the state's space industry in the International Space Station | |
| 10 | and to help the state maintain and enhance its competitive | |
| 11 | position in the commercial space-transportation industry. | |
| 12 | (g) Pursue partnerships with the National Aeronautics | |
| 13 | and Space Administration to coordinate and conduct research in | |
| 14 | fields including, but not limited to, environmental | |
| 15 | monitoring; agriculture; aquatics; resource reutilization | |
| 16 | technologies for long-duration space missions; and spaceport | |
| 17 | technologies which support current or next-generation launch | |
| 18 | vehicles and range systems. | |
| 19 | (h) Pursue partnerships with the National Aeronautics | |
| 20 | and Space Administration for the conduct of space-related | |
| 21 | research using computer technology to connect experts in a | |
| 22 | given field of science who are in disparate locations and to | |
| 23 | perform research experiments in a real-time, virtual | |
| 24 | environment. | |
| 25 | (i) Appoint or dismiss, as deemed necessary by the | |
| 26 | board, a person to act as executive director of the institute, | |
| 27 | who shall have such other functions, duties, powers, and | |
| 28 | salary as the board prescribes. | |
| 29 | (8) (4) By December 15 of each year, the institute | |
| 30 | shall submit a report of its activities and accomplishments | |
| 31 | for the year to the Governor, the President of the Senate, and | |
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| CODING: Words stricken are deletions; words <u>underlined</u> are additions. | | |

1 the Speaker of the House of Representatives, and the 2 Commissioner of Education. The report shall also include 3 recommendations regarding actions the state should take to 4 enhance the development of space-related businesses, 5 including: б Future research activities. (a) 7 (b) The development of capital and technology 8 assistance to new and expanding industries. 9 (C) The removal of regulatory impediments. 10 (d) The establishment of business development 11 incentives. (e) The initiation of education and training programs 12 13 to ensure a skilled workforce. Section 6. Section 331.401, Florida Statutes, is 14 amended to read: 15 331.401 Short title.--Sections 331.401-331.419 may be 16 17 cited as the "Florida Aerospace Finance Commercial Space Financing Corporation Act." 18 19 Section 7. Section 331.403, Florida Statutes, is amended to read: 20 331.403 Legislative findings and intent.--The 21 Legislature finds that the expansion of state and federal 22 support for the aerospace industry in Florida is critical to 23 24 the continued development of a viable commercial aerospace 25 space industry and the technical and scientific job base for its citizens. This development of commercial opportunities in 26 Florida is slowed by the lack of traditional business 27 28 financing tools such as securitization for industrial 29 development. Florida's launch industry is also being challenged by the provision of such industry assistance by 30 31 other countries. Florida's aerospace industry could be

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1 assisted by a corporation established to work with the United 2 States Export-Import Bank, the Small Business Administration, 3 the National Aeronautics and Space Administration, and other 4 federal, state, and private sources to provide information, 5 technical assistance, and financial support. It is the б intention of the Legislature to retain and expand job 7 opportunities for Florida citizens through this mechanism. Section 8. Section 331.405, Florida Statutes, is 8 amended to read: 9 10 331.405 Definitions.--As used in this part: 11 (1) "Account" means the account established pursuant to s. 331.415. 12 13 (2) "Aerospace" means the industry concerned with the 14 design and manufacture of aircraft, rockets, missiles, spacecraft, satellites, space vehicles, space stations, space 15 facilities, or components thereof, and equipment, systems, 16 17 facilities, simulators, programs, and activities related 18 thereto. 19 (3)(2) "Authority" means the Florida Space Authority created by s. 331.302. 20 (4) (3) "Board" means the governing body of the 21 22 corporation. 23 (5)(4) "Corporation" means the Florida Aerospace 24 Finance Commercial Space Financing Corporation. 25 (6)(5) "Domiciled in this state" means registered to do business in Florida. 26 27 (7) "Financial institution" has the same meaning as 28 in s. 655.005(1)(h). 29 (8)(7) "Financing agreement" has the same meaning as in s. 331.303(10). 30 31 10

1 (9)(8) "Member" means an individual appointed to be a 2 member of the board. 3 (10)(9) "President" means the chief executive officer 4 of the corporation. 5 Section 9. Section 331.407, Florida Statutes, is б amended to read: 7 331.407 Florida Aerospace Fin<u>ance</u> Commercial Space 8 Financing Corporation. --9 (1) The Florida Aerospace Finance Commercial Space 10 Financing Corporation is created as a corporation not for 11 profit. The corporation shall have all the powers, rights, privileges, and authority as provided under chapter 617 and 12 13 this part. The corporation shall be organized on a nonstock 14 basis. The purpose of the corporation is to expand employment and income opportunities for residents of this state by 15 providing businesses domiciled in this state with information, 16 17 technical assistance, and financial assistance to support space-related transactions, in order to increase the 18 19 development within the state of commercial aerospace products, activities, services, and facilities. 20 The corporation shall have the power and authority 21 (2) to carry out the following functions: 22 (a) To coordinate its efforts with programs and goals 23 24 of the United States Air Force, the National Aeronautics and Space Administration, the Export-Import Bank, the 25 International Trade Administration of the United States 26 Department of Commerce, the Foreign Credit Insurance 27 28 Association, Enterprise Florida, Inc., and its boards, and 29 other private and public programs and organizations, domestic and foreign. 30 31

| 1 | (b) To establish a network of contacts among those |
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| 2 | domestic and foreign public and private organizations which |
| 3 | provide information, technical assistance, and financial |
| 4 | support to the aerospace industry. |
| 5 | (c) To assemble, publish, and disseminate information |
| 6 | on financing opportunities and techniques of financing |
| 7 | aerospace projects, programs, and activities; sources of |
| 8 | public and private aerospace financing assistance; and sources |
| 9 | of <u>aerospace-related</u> space-related financing. |
| 10 | (d) To organize, host, and participate in seminars and |
| 11 | other forums designed to disseminate information and technical |
| 12 | assistance regarding <u>aerospace-related</u> space-related |
| 13 | financing. |
| 14 | (e) To insure, coinsure, lend, and guarantee loans, |
| 15 | and to originate for sale direct aerospace-related |
| 16 | space-related loans, pursuant to criteria, bylaws, policies, |
| 17 | and procedures adopted by the board. |
| 18 | (f) To capitalize, underwrite, and secure funding for |
| 19 | aerospace infrastructure, satellites, launch vehicles, and any |
| 20 | service which supports aerospace launches. |
| 21 | (g) To construct, lease, or sell aerospace |
| 22 | infrastructure, satellites, launch vehicles, and any other |
| 23 | related activities and services. |
| 24 | (h) To acquire property, including real, personal, |
| 25 | tangible, intangible, or mixed, under such conditions as the |
| 26 | board may deem necessary or desirable, and sell or otherwise |
| 27 | dispose of the same. |
| 28 | (i) To make and exercise any and all contracts or |
| 29 | other instruments necessary or convenient to the exercise of |
| 30 | its powers, including financing agreements. |
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1 (3) It is the intent of the Legislature that the corporation shall not be considered an "agency" as defined in 2 3 s. 216.011 or s. 287.012. 4 Section 10. Subsection (4) of section 331.409, Florida 5 Statutes, is amended to read: 6 331.409 Powers and limitations.--7 (4) In providing assistance, the board shall create a 8 fiscal strategy for Florida which will guide and facilitate 9 the successful expansion of aerospace-related space-related 10 jobs. 11 Section 11. Paragraphs (a) and (c) of subsection (5) of section 331.411, Florida Statutes, are amended to read: 12 331.411 Board of directors; powers and duties.--13 (5) The board shall: 14 Prior to the expenditure of funds from the 15 (a) account, adopt bylaws, rules, and policies necessary to carry 16 17 out its responsibilities under this part, particularly with 18 respect to the implementation of the corporation's programs to 19 insure, coinsure, lend, provide loan guarantees, and make 20 direct, guaranteed, or collateralized loans to support 21 aerospace-related space-related transactions. (c) Adopt policies, including criteria, establishing 22 which aerospace-related space-related transactions shall be 23 24 eligible for insurance, coinsurance, loan guarantees, and 25 direct, guaranteed, or collateralized loans which may be extended by the corporation. To implement this paragraph, the 26 board shall adopt rules which include the following criteria: 27 28 Any individual signing any corporation loan 1. 29 application and loan or guarantee agreement must have an equity interest in the business applying for financial 30 31 assistance.

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CS for SB 1084

1 Applicants must be domiciled in this state and will 2. 2 be contractually obligated to use Florida launch facilities to 3 the maximum extent possible. 4 Section 12. This act shall take effect upon becoming a 5 law. б STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 1084 7 8 9 The bill provided the Legislature intended to review the operations of the Florida Space Authority. The committee substitute amended the bill to: 10 11 12 Provide that board of supervisors of the Florida Space Authority is to elect a chair to preside in the absence of the Lieutenant Governor and to perform other duties as may be 13 required. 14 Implement a rotation schedule for members of the Florida Space Research Institute's board of supervisors. 15 Authorize the FSRI board to invite governmental officials to serve as non-voting members of the board of supervisors. 16 17 Clarify that board members are volunteers and are subject to all protections afforded to volunteers of state agencies. 18 19 Provide that contracts and grants issued by FSRI to state agencies are subject to certain restrictions on overhead 20 /indirect costs. Provide explicit authorization for FSRI to enter into agreements, employ staff, own property, and conduct other necessary activities. 21 22 In addition to existing reporting requirements, provides that FSRI is to report annually to the Secretary of Education. 23 24 Change the name of the Florida Commercial Space Financing Corporation to the "Florida Aerospace Finance Corporation". 25 26 Provide that the corporation is not a state agency for budgetary and procurement purposes. 27 Implement a number of clarifying/conforming statutory changes. 28 29 30 31