

By the Committees on Finance and Taxation; Comprehensive Planning; Commerce, Economic Opportunities, and Consumer Services; and Senators Saunders, Miller and Siplin

314-2527-03

1 A bill to be entitled  
2 An act relating to economic stimulus; amending  
3 s. 212.097, F.S.; revising provisions providing  
4 for an urban job tax credit program to apply to  
5 designated urban job tax credit areas rather  
6 than high crime areas; revising and providing  
7 definitions, eligibility criteria, application  
8 procedures and requirements, and area  
9 characteristics and criteria; authorizing  
10 transfer of unused credits; specifying use of  
11 transferred credits; amending s. 220.1895,  
12 F.S.; conforming changes; removing a historical  
13 reference; amending s. 288.1045, F.S.; revising  
14 the definition of "Department of Defense  
15 contract" under the tax refund program for  
16 qualified defense contractors; extending the  
17 period applicable to a program exemption under  
18 certain conditions; amending s. 288.106, F.S.;  
19 providing for special consideration to be given  
20 to defense and homeland security under the tax  
21 refund program for qualified target industry  
22 businesses; extending the period applicable to  
23 a program exemption under certain conditions;  
24 reenacting and amending s. 288.9515, F.S.;  
25 revising and clarifying powers of Enterprise  
26 Florida, Inc., to develop authorized technology  
27 development programs; deleting a preference  
28 requirement for contractor selections;  
29 clarifying a requirement for capitalization of  
30 a technology development financing fund;  
31 revising criteria and requirements for

1 investment of moneys in the Florida Technology  
2 Research Investment Fund; providing for payment  
3 of certain claims from the fund; specifying  
4 nonapplication of state credit or taxing power;  
5 specifying absence of state liability for  
6 certain claims; directing Enterprise Florida,  
7 Inc., to facilitate the formation of investor  
8 networks; repealing s. 288.9517, F.S., relating  
9 to audits of the technology development board  
10 and confidentiality of the identity of certain  
11 contributors to the board; repealing s. 14, ch.  
12 93-187, Laws of Florida, relating to the future  
13 repeal and review by the Legislature of  
14 statutes governing certain technology  
15 development programs of Enterprise Florida,  
16 Inc.; amending s. 445.048, F.S.; continuing and  
17 expanding the Passport to Economic Progress  
18 demonstration program; providing  
19 appropriations; creating s. 624.5108, F.S.,  
20 relating to casualty insurance assessment  
21 offsets; providing definitions; providing for  
22 an application procedure for designation as a  
23 state economic stimulus plan provider; creating  
24 application criteria; authorizing the Office of  
25 Tourism, Trade, and Economic Development to  
26 perform background checks on applicants;  
27 authorizing the Office of Tourism, Trade, and  
28 Economic Development to deny the application if  
29 the criteria for a provider applicant is not  
30 met; requiring the provider applicant to be  
31 incorporated in Florida; requiring the provider

1 applicant to establish an office in the state  
2 within 60 days after being designated a SESP  
3 provider; authorizing the Office of Tourism,  
4 Trade, and Economic Development to adopt rules  
5 to govern the application process; providing  
6 for a SESP provider allocation offset process;  
7 establishing a State Economic Stimulus Plan  
8 Fund; providing for permissible uses for the  
9 SESP funds; requiring the Office of Tourism,  
10 Trade, and Economic Development to approve  
11 economic development projects or permissible  
12 investment proposals no later than 20 days  
13 after receiving a written proposal; requiring  
14 the SESP provider to report certain information  
15 to the Office of Tourism, Trade, and Economic  
16 Development no later than 30 days after the  
17 fund allocation date; requiring the SESP  
18 provider to file an annual report; requiring  
19 the SESP provider to provide an annual audited  
20 financial statement; providing for SESP  
21 provider assessment offsets; amending s.  
22 1004.225, F.S.; removing historical provisions;  
23 conforming changes; providing for the  
24 designation of an additional center of  
25 excellence; providing application, evaluation,  
26 and designation procedures; extending the  
27 expiration of the Florida Technology  
28 Development Act; providing an appropriation;  
29 providing an effective date.

30  
31 Be It Enacted by the Legislature of the State of Florida:

1 Section 1. Section 212.097, Florida Statutes, is  
2 amended to read:

3 212.097 Designated Urban ~~High-Crime Area~~ Job Tax  
4 Credit Area Program.--

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

6 (a) "Eligible business" means any sole proprietorship,  
7 firm, partnership, or corporation that is located in a  
8 designated urban job tax credit area ~~qualified county~~ and is  
9 predominantly engaged in, or is headquarters for a business  
10 predominantly engaged in, activities usually provided for  
11 consideration by firms classified within the following  
12 standard industrial classifications: SIC 01-SIC 09  
13 (agriculture, forestry, and fishing); SIC 20-SIC 39  
14 (manufacturing); SIC 52-SIC 57 and SIC 59 (retail); SIC 422  
15 (public warehousing and storage); SIC 70 (hotels and other  
16 lodging places); SIC 7391 (research and development); SIC 781  
17 (motion picture production and allied services); SIC 7992  
18 (public golf courses); ~~and~~ SIC 7996 (amusement parks); and a  
19 targeted industry eligible for the qualified target industry  
20 business tax refund under s. 288.106. A call center or similar  
21 customer service operation that services a multistate market  
22 or international market is also an eligible business. In  
23 addition, the Office of Tourism, Trade, and Economic  
24 Development may, as part of its final budget request submitted  
25 pursuant to s. 216.023, recommend additions to or deletions  
26 from the list of standard industrial classifications used to  
27 determine an eligible business, and the Legislature may  
28 implement such recommendations. Excluded from eligible  
29 receipts are receipts from retail sales, except such receipts  
30 for SIC 52-SIC 57 and SIC 59 (retail) hotels and other lodging  
31 places classified in SIC 70, public golf courses in SIC 7992,

1 and amusement parks in SIC 7996. For purposes of this  
2 paragraph, the term "predominantly" means that more than 50  
3 percent of the business's gross receipts from all sources is  
4 generated by those activities usually provided for  
5 consideration by firms in the specified standard industrial  
6 classification. The determination of whether the business is  
7 located in a designated urban job tax credit ~~qualified~~  
8 ~~high-crime~~ area ~~and the tier ranking of that area~~ must be  
9 based on the date of application for the credit under this  
10 section. Commonly owned and controlled entities are to be  
11 considered a single business entity.

12 (b) "Qualified employee" means any employee of an  
13 eligible business who performs duties in connection with the  
14 operations of the business on a regular, full-time basis for  
15 an average of at least 36 hours per week for at least 3 months  
16 within the designated urban job tax credit ~~qualified~~  
17 ~~high-crime~~ area in which the eligible business is located. An  
18 owner or partner of the eligible business is not a qualified  
19 employee. The term also includes an employee leased from an  
20 employee leasing company licensed under chapter 468, if such  
21 employee has been continuously leased to the employer for an  
22 average of at least 36 hours per week for more than 6 months.

23 (c) "New business" means any eligible business first  
24 beginning operation on a site in a designated urban job tax  
25 credit ~~qualified high-crime~~ area and clearly separate from any  
26 other commercial or business operation of the business entity  
27 within a designated urban job tax credit ~~qualified high-crime~~  
28 area. A business entity that operated an eligible business  
29 within a designated urban job tax credit ~~qualified high-crime~~  
30 area within the 48 months before the period provided for  
31

1 application by subsection (2) is not considered a new  
2 business.

3 (d) "Existing business" means any eligible business  
4 that does not meet the criteria for a new business.

5 (e) "Designated urban job tax credit ~~Qualified~~  
6 ~~high-crime~~ area" means an area selected by the Office of  
7 Tourism, Trade, and Economic Development in the following  
8 manner: every third year, the office shall rank ~~and tier~~ those  
9 areas nominated under subsection (7), according to the highest  
10 level of distress experienced in the categories enumerated  
11 under subsection (7). The Office of Tourism, Trade, and  
12 Economic Development shall designate the 30  
13 highest-distress-profile urban areas as eligible participants  
14 under the urban job tax credit program following prioritized  
15 criteria:

16 1. ~~Highest arrest rates within the geographic area for~~  
17 ~~violent crime and for such other crimes as drug sale, drug~~  
18 ~~possession, prostitution, vandalism, and civil disturbances;~~

19 2. ~~Highest reported crime volume and rate of specific~~  
20 ~~property crimes such as business and residential burglary,~~  
21 ~~motor vehicle theft, and vandalism;~~

22 3. ~~Highest percentage of reported index crimes that~~  
23 ~~are violent in nature;~~

24 4. ~~Highest overall index crime volume for the area;~~  
25 ~~and~~

26 5. ~~Highest overall index crime rate for the geographic~~  
27 ~~area.~~

28  
29 ~~Tier-one areas are ranked 1 through 5 and represent the~~  
30 ~~highest crime areas according to this ranking. Tier-two areas~~  
31 ~~are ranked 6 through 10 according to this ranking. Tier-three~~

1 ~~areas are ranked 11 through 15.~~Notwithstanding this  
2 definition, "designated urban job tax credit qualified  
3 ~~high-crime~~ area" also means an area that has been designated  
4 as a federal Empowerment Zone pursuant to the Taxpayer Relief  
5 Act of 1997 or the Community Tax Relief Act of 2000. ~~Such a~~  
6 ~~designated area is ranked in tier three until the areas are~~  
7 ~~reevaluated by the Office of Tourism, Trade, and Economic~~  
8 ~~Development.~~

9 (f) "Central business district" means an area  
10 comprised of at least 80 percent commercial and government  
11 buildings and properties; characterized by a high  
12 concentration of retail businesses, service businesses,  
13 offices, theaters, and hotels; and located in a Department of  
14 Transportation Urban Service Area.

15 (g) "Urban" means a densely populated nonrural area  
16 located within an urban county which consists of a cluster of  
17 one or more census blocks, each of which has a population  
18 density of at least 400 people per square mile, or an area  
19 defined by the most recent United States Census as urban.

20 (2) A new eligible business may apply for a tax credit  
21 under this subsection once at any time during its first year  
22 of operation. A new eligible business in a designated urban  
23 job tax credit ~~tier one qualified high-crime~~ area which has at  
24 least 10 qualified employees on the date of application shall  
25 receive a \$1,500 tax credit for each such employee. A new  
26 ~~eligible business in a tier two qualified high-crime area~~  
27 ~~which has at least 20 qualified employees on the date of~~  
28 ~~application shall receive a \$1,000 tax credit for each such~~  
29 ~~employee. A new eligible business in a tier three qualified~~  
30 ~~high-crime area which has at least 30 qualified employees on~~

1 ~~the date of application shall receive a \$500 tax credit for~~  
2 ~~each such employee.~~

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

25           (4) For any new eligible business receiving a credit  
26 pursuant to subsection (2), an additional \$500 credit shall be  
27 provided for any qualified employee who is a welfare  
28 transition program participant. For any existing eligible  
29 business receiving a credit pursuant to subsection (3), an  
30 additional \$500 credit shall be provided for any qualified  
31 employee who is a welfare transition program participant. Such



1 employee must be employed on the application date and have  
2 been employed less than 1 year. This credit shall be in  
3 addition to other credits pursuant to this section ~~regardless~~  
4 ~~of the tier-level of the high-crime area~~. Appropriate  
5 documentation concerning the eligibility of an employee for  
6 this credit must be submitted as determined by the department.

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

13 (6) Any county or municipality, or a county and one or  
14 more municipalities together, may apply to the Office of  
15 Tourism, Trade, and Economic Development for the designation  
16 of an area as a designated urban job tax credit ~~high-crime~~  
17 area after the adoption by the governing body or bodies of a  
18 resolution that:

19 (a) Finds that an urban ~~a high-crime~~ area exists in  
20 such county or municipality, or in both the county and one or  
21 more municipalities, which chronically exhibits extreme and  
22 unacceptable levels of poverty, unemployment, physical  
23 deterioration, and economic disinvestment;

24 (b) Determines that the rehabilitation, conservation,  
25 or redevelopment, or a combination thereof, of such an urban ~~a~~  
26 ~~high-crime~~ area is necessary in the interest of the health,  
27 safety, and welfare of the residents of such county or  
28 municipality, or such county and one or more municipalities;  
29 and

30 (c) Determines that the revitalization of such an  
31 urban ~~a high-crime~~ area can occur if the public sector or

1 private sector can be induced to invest its own resources in  
2 productive enterprises that build or rebuild the economic  
3 viability of the area.

4 (7) The governing body of the entity nominating the  
5 area shall demonstrate ~~provide~~ to the Office of Tourism,  
6 Trade, and Economic Development that the area meets the  
7 following:

8 (a) Income characteristics:

9 1. Forty percent of area residents are earning wages  
10 on an annual basis that are equal to or less than the annual  
11 wage of a person who is earning minimum wage; or

12 2. More than 20 percent of residents or families live  
13 below the federal standard of poverty for individuals or a  
14 family of four.~~The overall index crime rate for the~~  
15 ~~geographic area.~~

16 (b) Education characteristics:

17 1. Has a high school dropout rate higher than the  
18 county average; or

19 2. Has a high school graduation rate lower than the  
20 state average.~~The overall index crime volume for the area.~~

21 (c) Workforce and employment characteristics:

22 1. Has an unemployment rate at least 3 percentage  
23 points higher than the state's unemployment rate;

24 2. More than 50 percent of families subject to the  
25 welfare-to-work transition time limit are either within 6  
26 months of the time limit or are receiving cash assistance  
27 under a period of hardship extension to the time limit; or

28 3. Is identified as a labor surplus area using the  
29 criteria established by the United States Department of  
30 Labor's Employment and Training Administration.~~The percentage~~  
31 ~~of reported index crimes that are violent in nature.~~

- 1           (d) Crime characteristics:
- 2           1. Has an arrest rate higher than the state's average
- 3 rate for such crimes as drug sale, drug possession,
- 4 prostitution, vandalism, and civil disturbances, as recorded
- 5 by total crime index of the Department of Law Enforcement; or
- 6           2. Ranks in the top 30 percent of zip codes with
- 7 reported crimes that are violent in nature.~~The reported crime~~
- 8 ~~volume and rate of specific property crimes such as business~~
- 9 ~~and residential burglary, motor vehicle theft, and vandalism;~~
- 10 ~~and~~
- 11           (e) Residential and commercial property related
- 12 characteristics:
- 13           1. Fifty percent or more of area residents rent;
- 14           2.a. Property values are within the lower 50 percent
- 15 of the county's assessed property values;
- 16           b. More than 5 percent of area homes, apartments, or
- 17 buildings are abandoned, have been condemned within the
- 18 previous 24 months, or have a greater number of violations of
- 19 the Florida Building Code than recorded in the remainder of
- 20 the county or municipality; or
- 21           c. Tax or special assessment delinquencies exceed the
- 22 fair value of the land.~~The arrest rates within the geographic~~
- 23 ~~area for violent crime and for such other crimes as drug sale,~~
- 24 ~~drug possession, prostitution, disorderly conduct, vandalism,~~
- 25 ~~and other public order offenses.~~
- 26           (8) A municipality, or a county and one or more
- 27 municipalities together, may not nominate more than one urban
- 28 ~~high-crime~~ area. However, any county as defined by s.
- 29 125.011(1) may nominate no more than three urban high-crime
- 30 areas.
- 31

1           (9)(a) An area nominated by a county or municipality,  
2 or a county and one or more municipalities together, for  
3 designation as an urban job tax credit ~~a high-crime~~ area shall  
4 be eligible only if it meets the following criteria:

5           1.(a) The selected area ~~does not exceed 20 square~~  
6 ~~miles and either~~ has a continuous boundary or consists of not  
7 more than three noncontiguous parcels.~~†~~

8           2.(b) The selected area does not exceed the following  
9 mileage limitation:

10           a.1. For areas ~~communities~~ having a total population  
11 of 150,000 persons or more, the selected area does not exceed  
12 20 square miles and is within 10 miles of the central business  
13 district of a city.

14           b.2. For areas ~~communities~~ having a total population  
15 of 50,000 persons or more, but fewer than 150,000 persons, the  
16 selected area does not exceed 10 square miles and is within  
17 7.5 miles of the central business district of a city.

18           c.3. For areas ~~communities~~ having a total population  
19 of 20,000 persons or more, but fewer than 50,000 persons, the  
20 selected area does not exceed 5 square miles and is within 5  
21 miles of the central business district of a city.

22           d.4. For areas ~~communities~~ having a total population  
23 of fewer than 20,000 persons, the selected area does not  
24 exceed 3 square miles and is within 3 miles of the central  
25 business district of a city.

26           (b) A designated urban job tax credit area may not  
27 include any portion of a central business district, unless the  
28 poverty rate for each census geographic block group in the  
29 district is not less than 30 percent.

30           (10)(a) In order to claim this credit, an eligible  
31 business must file under oath with the Office of Tourism,

1 Trade, and Economic Development a statement that includes the  
2 name and address of the eligible business and any other  
3 information that is required to process the application.

4 (b) Within 30 working days after receipt of an  
5 application for credit, the Office of Tourism, Trade, and  
6 Economic Development shall review the application to determine  
7 whether it contains all the information required by this  
8 subsection and meets the criteria set out in this section.  
9 Subject to the provisions of paragraph (c), the Office of  
10 Tourism, Trade, and Economic Development shall approve all  
11 applications that contain the information required by this  
12 subsection and meet the criteria set out in this section as  
13 eligible to receive a credit.

14 (c) The maximum credit amount that may be approved  
15 during any calendar year is \$5 million, ~~of which \$1 million~~  
16 ~~shall be exclusively reserved for tier-one areas.~~ The  
17 Department of Revenue, in conjunction with the Office of  
18 Tourism, Trade, and Economic Development, shall notify the  
19 governing bodies in areas designated under this section ~~as~~  
20 ~~urban high-crime areas~~ when the \$5 million maximum amount has  
21 been reached. Applications must be considered for approval in  
22 the order in which they are received without regard to whether  
23 the credit is for a new or existing business. This limitation  
24 applies to the value of the credit as contained in approved  
25 applications. Approved credits may be taken in the time and  
26 manner allowed pursuant to this section.

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

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

5 (13) It is the responsibility of each business to  
6 affirmatively demonstrate to the satisfaction of the  
7 Department of Revenue that it meets the requirements of this  
8 section.

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

14 (15) A corporation may take the credit under this  
15 section against its corporate income tax liability, as  
16 provided in s. 220.1895. However, a corporation that applies  
17 its job tax credit against the tax imposed by chapter 220 may  
18 not receive the credit provided for in this section. A credit  
19 may be taken against only one tax.

20 (16) An eligible business may transfer any unused  
21 credit in whole or in units of no less than 25 percent of the  
22 remaining credit. The entity acquiring such credit may use it  
23 in the same manner and with the same limitation as described  
24 in this section. Such transferred credits may not be  
25 transferred again although they may succeed to a surviving or  
26 acquiring entity subject to the same conditions and  
27 limitations described in this section.

28 (17)~~(16)~~ The department shall adopt rules governing  
29 the manner and form of applications for credit or transfers of  
30 credit and may establish guidelines concerning the requisites  
31

1 for an affirmative showing of qualification for the credit  
2 under this section.

3 Section 2. Section 220.1895, Florida Statutes, is  
4 amended to read:

5 220.1895 Rural Job Tax Credit and Designated Urban  
6 ~~High-Crime Area~~ Job Tax Credit Area.--There shall be allowed a  
7 credit against the tax imposed by this chapter amounts  
8 approved by the Office of Tourism, Trade, and Economic  
9 Development pursuant to the Rural Job Tax Credit Program in s.  
10 212.098 and the Designated Urban ~~High-Crime Area~~ Job Tax  
11 Credit Area Program in s. 212.097. A corporation that uses its  
12 credit against the tax imposed by this chapter may not take  
13 the credit against the tax imposed by chapter 212. If any  
14 credit granted under this section is not fully used in the  
15 first year for which it becomes available, the unused amount  
16 may be carried forward for a period not to exceed 5 years. The  
17 carryover may be used in a subsequent year when the tax  
18 imposed by this chapter for such year exceeds the credit for  
19 such year under this section after applying the other credits  
20 and unused credit carryovers in the order provided in s.  
21 220.02(8). ~~The Office of Tourism, Trade, and Economic~~  
22 ~~Development shall conduct a review of the Urban High-Crime~~  
23 ~~Area Job Tax Credit and the Rural Job Tax Credit Program and~~  
24 ~~submit its report to the Governor, the President of the~~  
25 ~~Senate, and the Speaker of the House of Representatives by~~  
26 ~~February 1, 2000.~~

27 Section 3. Paragraph (e) of subsection (1) and  
28 paragraph (b) of subsection (4) of section 288.1045, Florida  
29 Statutes, are amended to read:

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

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

2 (e) "Department of Defense contract" means a  
3 competitively bid Department of Defense contract or  
4 subcontract or a competitively bid federal agency contract or  
5 subcontract issued on behalf of the Department of Defense for  
6 manufacturing, assembling, fabricating, research, development,  
7 or design with a duration of 2 or more years, but excluding  
8 any contract or subcontract to provide goods, improvements to  
9 real or tangible property, or services directly to or for any  
10 particular military base or installation in this state. The  
11 term includes contracts or subcontracts for products or  
12 services for military or homeland security use which contracts  
13 or subcontracts are approved by the United States Department  
14 of Defense, the United States Department of State, or the  
15 United States Department of Homeland Security ~~Coast Guard~~.

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

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

28 1. A qualified applicant may submit, in writing, a  
29 request to the office for an economic-stimulus exemption. The  
30 request must provide quantitative evidence demonstrating how  
31 negative economic conditions in the qualified applicant's



1 industry, or specific acts of terrorism affecting the  
2 qualified applicant, have prevented the qualified applicant  
3 from complying with the terms and conditions of its tax refund  
4 agreement.

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

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

28           4. A qualified applicant may submit a request for an  
29 economic-stimulus exemption to the office in lieu of any tax  
30 refund claim scheduled to be submitted after January 1, 2001,  
31 but before June 30, 2004 ~~July 1, 2003~~. However, a qualified

1 applicant that has received at least one economic-stimulus  
2 exemption may not apply for an additional exemption.

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

6 Section 4. Paragraph (o) of subsection (1) and  
7 paragraph (b) of subsection (4) of section 288.106, Florida  
8 Statutes, are amended to read:

9 288.106 Tax refund program for qualified target  
10 industry businesses.--

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

12 (o) "Target industry business" means a corporate  
13 headquarters business or any business that is engaged in one  
14 of the target industries identified pursuant to the following  
15 criteria developed by the office in consultation with  
16 Enterprise Florida, Inc.:

17 1. Future growth.--Industry forecasts should indicate  
18 strong expectation for future growth in both employment and  
19 output, according to the most recent available data. Special  
20 consideration should be given to Florida's growing access to  
21 international markets or to replacing imports.

22 2. Stability.--The industry should not be subject to  
23 periodic layoffs, whether due to seasonality or sensitivity to  
24 volatile economic variables such as weather. The industry  
25 should also be relatively resistant to recession, so that the  
26 demand for products of this industry is not necessarily  
27 subject to decline during an economic downturn.

28 3. High wage.--The industry should pay relatively high  
29 wages compared to statewide or area averages.

30  
31

1 4. Market and resource independent.--The location of  
2 industry businesses should not be dependent on Florida markets  
3 or resources as indicated by industry analysis.

4 5. Industrial base diversification and  
5 strengthening.--The industry should contribute toward  
6 expanding or diversifying the state's or area's economic base,  
7 as indicated by analysis of employment and output shares  
8 compared to national and regional trends. Special  
9 consideration should be given to industries that strengthen  
10 regional economies by adding value to basic products or  
11 building regional industrial clusters as indicated by industry  
12 analysis. Special consideration also should be given to  
13 developing strong industrial clusters, including defense and  
14 homeland security.

15 6. Economic benefits.--The industry should have strong  
16 positive impacts on or benefits to the state and regional  
17 economies.

18  
19 The office, in consultation with Enterprise Florida, Inc.,  
20 shall develop a list of such target industries annually and  
21 submit such list as part of the final agency legislative  
22 budget request submitted pursuant to s. 216.023(1). A target  
23 industry business may not include any industry engaged in  
24 retail activities; any electrical utility company; any  
25 phosphate or other solid minerals severance, mining, or  
26 processing operation; any oil or gas exploration or production  
27 operation; or any firm subject to regulation by the Division  
28 of Hotels and Restaurants of the Department of Business and  
29 Professional Regulation.

30 (4) TAX REFUND AGREEMENT.--

31

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

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

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

29           3. As a condition for receiving a prorated refund  
30 under paragraph (5)(d) or an economic-stimulus exemption under  
31 this paragraph, a qualified target industry business must

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

11 4. A qualified target industry business may submit a  
12 request for an economic-stimulus exemption to the office in  
13 lieu of any tax refund claim scheduled to be submitted after  
14 January 1, 2001, but before June 30, 2004 ~~July 1, 2003~~.  
15 However, a qualified target industry business that has  
16 received at least one economic-stimulus exemption may not  
17 apply for an additional exemption.

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

21 Section 5. Notwithstanding section 14 of chapter  
22 93-187, Laws of Florida, section 288.9515, Florida Statutes,  
23 shall not stand repealed on December 31, 2003, as scheduled by  
24 such law, but that section is reenacted and amended to read:

25 288.9515 Authorized technology development programs.--

26 (1) Enterprise Florida, Inc., may create technology  
27 development and applications services, and may serve as an  
28 umbrella organization for the coordination of information that  
29 provides technology applications service providers throughout  
30 ~~the state which provide~~ critical, managerial, technological,  
31 scientific, and related financial and business expertise

1 essential for international and domestic competitiveness to  
2 small-sized and medium-sized manufacturing and knowledge-based  
3 service firms. Enterprise Florida, Inc., is authorized the  
4 following powers in order to carry out these functions:

5 (a) Providing communication and coordination services  
6 among technology development and applications service  
7 providers throughout the state.

8 ~~(b) Providing coordinated marketing services to~~  
9 ~~small-sized and medium-sized manufacturers in the state on~~  
10 ~~behalf of, and in partnership with, technology applications~~  
11 ~~service providers.~~

12 ~~(b)(c)~~ Securing additional sources of funds on behalf  
13 of, and in partnership with, technology-based businesses  
14 ~~applications service providers.~~

15 ~~(c)(d)~~ Developing plans and policies to assist  
16 small-sized and medium-sized manufacturing companies or other  
17 knowledge-based firms in Florida.

18 ~~(e) Entering into contracts with technology~~  
19 ~~applications service providers for expanded availability of~~  
20 ~~high-quality assistance to small-sized and medium-sized~~  
21 ~~manufacturing companies or knowledge-based service firms,~~  
22 ~~including, but not limited to, technological, human resources~~  
23 ~~development, market planning, finance, and interfirm~~  
24 ~~collaboration. Enterprise Florida, Inc., shall ensure that all~~  
25 ~~contracts in excess of \$20,000 for the delivery of such~~  
26 ~~assistance to Florida firms shall be based on competitive~~  
27 ~~requests for proposals and shall establish clear standards for~~  
28 ~~the delivery of services under such contracts. Such standards~~  
29 ~~include, but are not limited to:~~

30 1. ~~The ability and capacity to deliver services in~~  
31 ~~sufficient quality and quantity.~~

1           ~~2. The ability and capacity to deliver services in a~~  
2 ~~timely manner.~~

3           ~~3. The ability and capacity to meet the needs of firms~~  
4 ~~in the proposed market area.~~

5           (d)(f) Assisting other educational institutions,  
6 enterprises, or the entities providing business assistance to  
7 small-sized and medium-sized manufacturing and knowledge-based  
8 services enterprises.

9           ~~(g) Establishing a system to evaluate the~~  
10 ~~effectiveness and efficiency of technology applications~~  
11 ~~services provided to small-sized and medium-sized enterprises.~~

12           (e)(h) Establishing ~~special education and~~  
13 informational programs for Florida enterprises and for  
14 educational institutions and enterprises providing business  
15 assistance to Florida enterprises.

16           (f)(i) Assisting in evaluating and documenting the  
17 needs of firms in this state for technology development and  
18 application services, and developing means to ensure that  
19 these needs are met, consistent with the powers provided for  
20 in this subsection.

21           (g)(j) Maintaining an office in such place or places  
22 as the board of directors of Enterprise Florida, Inc.,  
23 approves.

24           (h)(k) Making and executing contracts with any person,  
25 enterprise, educational institution, association, or any other  
26 entity necessary or convenient for the performance of its  
27 duties and the exercise of the powers and functions of  
28 Enterprise Florida, Inc., under this subsection.

29           (i)(l) Receiving funds from any source to carry out  
30 the purposes of providing technology development and  
31 applications services, including, but not limited to, gifts or

1 grants from any department, agency, or instrumentality of the  
2 United States or of the state, or any enterprise or person,  
3 for any purpose consistent with the provisions of this  
4 subsection.

5 (2) ~~When choosing contractors under this section,~~  
6 ~~preference shall be given to existing institutions,~~  
7 ~~organizations, and enterprises so long as these existing~~  
8 ~~institutions, organizations, and enterprises demonstrate the~~  
9 ~~ability to perform at standards established by Enterprise~~  
10 ~~Florida, Inc., under paragraph (1)(e).~~ Neither the provisions  
11 of ss. 288.9511-288.9517 nor the actions taken by Enterprise  
12 Florida, Inc., under this section shall impair or hinder the  
13 operations, performance, or resources of any existing  
14 institution, organization, or enterprise.

15 (3) Enterprise Florida, Inc., may create a technology  
16 development financing fund, to be called the Florida  
17 Technology Research Investment Fund. The fund shall increase  
18 technology development in this state by investing in  
19 technology development projects that have the potential to  
20 generate investment-grade technologies of importance to the  
21 state's economy as evidenced by the willingness of private  
22 businesses to coinvest in such projects. Enterprise Florida,  
23 Inc., may also demonstrate and develop effective approaches  
24 to, and benefits of, commercially oriented research  
25 collaborations between businesses, universities, and state and  
26 federal agencies and organizations. Enterprise Florida, Inc.,  
27 shall endeavor to maintain the fund as a self-supporting fund  
28 once the fund is sufficiently capitalized under Enterprise  
29 Florida, Inc., program guidelines ~~as reflected in the minimum~~  
30 ~~funding report required in s. 288.9516.~~ The technology  
31



1 research investment projects may include, but are not limited  
2 to:

3 (a) Technology development projects expected to lead  
4 to a specific investment-grade technology that is of  
5 importance to industry in this state.

6 (b) Technology development centers and facilities  
7 expected to generate a stream of products and processes with  
8 commercial application of importance to industry in this  
9 state.

10 (c) Technology development projects that have, or are  
11 currently using, other federal or state funds such as federal  
12 Small Business Innovation Research awards.

13 (4) Enterprise Florida, Inc., shall invest moneys  
14 contained in the Florida Technology Research Investment Fund  
15 in technology application research or for technology  
16 development projects that have the potential for commercial  
17 market application. ~~The partnership shall coordinate any~~  
18 ~~investment in any space-related technology projects with the~~  
19 ~~Florida Space Authority and the Technological Research and~~  
20 ~~Development Authority.~~

21 (a) The investment of moneys contained in the Florida  
22 Technology Research Investment Fund is limited to qualified  
23 ~~investments in qualified securities~~ in which a private  
24 enterprise in this state coinvests at least 40 percent of the  
25 total project costs, in conjunction with other cash or noncash  
26 investments from state educational institutions, state and  
27 federal agencies, or other institutions.

28 (b) All moneys in the Florida Technology Research  
29 Investment Fund shall be continuously appropriated to the fund  
30 and may be used for loan guarantees, letter of credit  
31 guarantees, cash reserves for loan and letter of credit

1 guarantees, payments of claims pursuant to contracts for  
2 guarantees, subordinated loans, loans with warrants, royalty  
3 investments, equity investments, and ~~For the purposes of this~~  
4 ~~fund, qualified securities include loans, loans convertible to~~  
5 ~~equity, equity, loans with warrants attached that are~~  
6 ~~beneficially owned by the board, royalty agreements, or any~~  
7 ~~other contractual arrangements through which the Florida~~  
8 ~~Technology Research Investment Fund receives an interest,~~  
9 ~~rights, return of funds, or other consideration, and may be~~  
10 ~~used for operations of the fund. All such uses of moneys in~~  
11 ~~the fund are qualified investments arrangement in which the~~  
12 ~~board is providing scientific and technological services to~~  
13 ~~any federal, state, county, or municipal agency, or to any~~  
14 ~~individual, corporation, enterprise, association, or any other~~  
15 ~~entity involving technology development. Any claim against the~~  
16 ~~fund or Enterprise Florida, Inc., relating to investment of~~  
17 ~~moneys in the fund shall be paid solely from the fund. Neither~~  
18 ~~the credit nor the taxing power of the state shall be pledged~~  
19 ~~to secure the fund or moneys in the fund, other than from~~  
20 ~~moneys appropriated or assigned to the fund, and the state~~  
21 ~~shall not be liable or obligated in any way for any claims~~  
22 ~~against the fund or against Enterprise Florida, Inc.~~

23 (c) Not more than \$175,000 or 5 percent of the  
24 revenues generated by investment of moneys contained in the  
25 Florida Technology Research Investment Fund plus 5 percent of  
26 the revenues generated by investments under the Florida Small  
27 Business Technology Growth Program under s. 288.95155,  
28 whichever is greater, may be used on an annual basis to pay  
29 the combined operating expenses associated with operation of  
30 the Florida Technology Research Investment Fund and the  
31 Florida Small Business Technology Growth Program.

1           (d) In the event of liquidation or dissolution of  
2 Enterprise Florida, Inc., or the Florida Technology Research  
3 Investment Fund, any rights or interests in a qualified  
4 security or portion of a qualified security purchased with  
5 moneys invested by the State of Florida shall vest in the  
6 state, under the control of the State Board of Administration.  
7 The state is entitled to, in proportion to the amount of  
8 investment in the fund by the state, any balance of funds  
9 remaining in the Florida Technology Research Investment Fund  
10 after payment of all debts and obligations upon liquidation or  
11 dissolution of Enterprise Florida, Inc., or the fund.

12           (e) The investment of funds contained in the Florida  
13 Technology Research Investment Fund does not constitute a  
14 debt, liability, or obligation of the State of Florida or of  
15 any political subdivision thereof, or a pledge of the faith  
16 and credit of the state or of any such political subdivision.

17           (5) Enterprise Florida, Inc., may create technology  
18 commercialization programs in partnership with private  
19 enterprises, educational institutions, and other institutions  
20 to increase the rate at which technologies with potential  
21 commercial application are moved from university, public, and  
22 industry laboratories into the marketplace. Such programs  
23 shall be created based upon research to be conducted by  
24 Enterprise Florida, Inc.

25           (6) Enterprise Florida, Inc., shall coordinate with  
26 local and regional economic development organizations to  
27 facilitate a statewide entrepreneurship strategy to stimulate  
28 the growth of start-up businesses and technology innovations  
29 in this state. This strategy should include, but need not be  
30 limited to, technology transfer coordination, university  
31 linkages, entrepreneurial networks and training, and start-up

1 capital access, including the formation and growth of  
2 individual and business networks that may be willing to invest  
3 in start-up businesses in this state.

4 Section 6. Section 288.9517, Florida Statutes, is  
5 repealed.

6 Section 7. Section 14 of chapter 93-187, Laws of  
7 Florida, is repealed.

8 Section 8. Section 445.048, Florida Statutes, is  
9 amended to read:

10 445.048 Passport to Economic Progress demonstration  
11 program.--

12 (1) AUTHORIZATION.--Notwithstanding any law to the  
13 contrary, Workforce Florida, Inc., in conjunction with the  
14 Department of Children and Family Services and the Agency for  
15 Workforce Innovation, shall implement a Passport to Economic  
16 Progress demonstration program ~~by November 1, 2001,~~ consistent  
17 with the provisions of this section in Hillsborough, ~~and~~  
18 Manatee, and Sarasota counties. Workforce Florida, Inc., must  
19 consult with the applicable regional workforce boards and the  
20 applicable local offices of the department which serve the  
21 demonstration areas and must encourage community input into  
22 the implementation process.

23 (2) WAIVERS.--If Workforce Florida, Inc., in  
24 consultation with the Department of Children and Family  
25 Services, finds that federal waivers would facilitate  
26 implementation of the demonstration program, the department  
27 shall immediately request such waivers, and Workforce Florida,  
28 Inc., shall report to the Governor, the President of the  
29 Senate, and the Speaker of the House of Representatives if any  
30 refusal of the Federal Government to grant such waivers  
31 prevents the implementation of the demonstration program. If

1 Workforce Florida, Inc., finds that federal waivers to  
2 provisions of the Food Stamp Program would facilitate  
3 implementation of the demonstration program, the Department of  
4 Children and Family Services shall immediately request such  
5 waivers in accordance with s. 414.175.

6 ~~(3) INCOME DISREGARD.--In order to provide an~~  
7 ~~additional incentive for employment, and notwithstanding the~~  
8 ~~amount specified in s. 414.095(12), for individuals residing~~  
9 ~~in the areas designated for this demonstration program, the~~  
10 ~~first \$300 plus one-half of the remainder of earned income~~  
11 ~~shall be disregarded in determining eligibility for temporary~~  
12 ~~cash assistance. All other conditions and requirements of s.~~  
13 ~~414.095(12) shall continue to apply to such individuals.~~

14 (3)(4) TRANSITIONAL BENEFITS AND SERVICES.--In order  
15 to assist them in making the transition to economic  
16 self-sufficiency, former recipients of temporary cash  
17 assistance residing within the areas designated for this  
18 demonstration program shall be eligible for the following  
19 benefits and services:

20 (a) Notwithstanding the time period specified in s.  
21 445.030, transitional education and training support services  
22 as specified in s. 445.030 for up to 4 years after the family  
23 is no longer receiving temporary cash assistance;

24 (b) Notwithstanding the time period specified in s.  
25 445.031, transitional transportation support services as  
26 specified in s. 445.031 for up to 4 years after the family is  
27 no longer receiving temporary cash assistance; and

28 (c) Notwithstanding the time period specified in s.  
29 445.032, transitional child care as specified in s. 445.032  
30 for up to 4 years after the family is no longer receiving  
31 temporary cash assistance.

1  
2 All other provisions of ss. 445.030, 445.031, and 445.032  
3 shall apply to such individuals, as appropriate. This  
4 subsection does not constitute an entitlement to transitional  
5 benefits and services. If funds are insufficient to provide  
6 benefits and services under this subsection, the board of  
7 directors of Workforce Florida, Inc., may limit such benefits  
8 and services or otherwise establish priorities for the  
9 provisions of such benefits and services.

10 (4) INCENTIVES TO ECONOMIC SELF-SUFFICIENCY.--

11 (a) The Legislature finds that:

12 1. There are former recipients of temporary cash  
13 assistance who are working full time but whose incomes are  
14 below the poverty level.

15 2. Having incomes below the federal poverty level  
16 makes such individuals particularly vulnerable to reliance on  
17 public assistance despite their best efforts to achieve or  
18 maintain economic independence through employment.

19 3. It is necessary to implement a performance-based  
20 program that defines economic incentives for achieving  
21 specific benchmarks toward self-sufficiency while the  
22 individual is working full time.

23 (b) Workforce Florida, Inc., in cooperation with the  
24 Department of Children and Family Services and the Agency for  
25 Workforce Innovation, shall offer performance-based incentive  
26 bonuses as a component of the Passport to Economic Progress  
27 demonstration program in the areas of the state which are  
28 designated for demonstration programs. The bonuses do not  
29 represent a program entitlement and shall be contingent on  
30 achieving specific benchmarks prescribed in the  
31 self-sufficiency plan. If the funds appropriated for this

1 purpose are insufficient to provide this financial incentive,  
2 the board of directors of Workforce Florida, Inc., shall  
3 reduce or suspend the bonuses in order not to exceed the  
4 appropriation.

5 ~~(5) WAGE SUPPLEMENTATION.--~~

6 ~~(a) The Legislature finds that:~~

7 ~~1. There are former recipients of temporary cash~~  
8 ~~assistance who are working full time but whose incomes are~~  
9 ~~below the federal poverty level.~~

10 ~~2. Having incomes below the federal poverty level~~  
11 ~~makes such individuals particularly vulnerable to reliance on~~  
12 ~~public assistance despite their best efforts to achieve or~~  
13 ~~maintain economic independence through employment.~~

14 ~~3. It is necessary to supplement the wages of such~~  
15 ~~individuals for a limited period of time in order to assist~~  
16 ~~them in fulfilling the transition to economic~~  
17 ~~self-sufficiency.~~

18 ~~(b) Workforce Florida, Inc., in cooperation with the~~  
19 ~~Department of Children and Family Services and the Agency for~~  
20 ~~Workforce Innovation, shall create a transitional wage~~  
21 ~~supplementation program by November 1, 2001, as a component of~~  
22 ~~the Passport to Economic Progress demonstration program in the~~  
23 ~~areas designated for the demonstration program. This wage~~  
24 ~~supplementation program does not constitute an entitlement to~~  
25 ~~wage supplementation. If funds appropriated are insufficient~~  
26 ~~to provide wage supplementation, the board of directors of~~  
27 ~~Workforce Florida, Inc., may limit wage supplementation or~~  
28 ~~otherwise establish priorities for wage supplementation.~~

29 ~~(c) To be eligible for wage supplementation under this~~  
30 ~~subsection, an individual must:~~

31

1           1. Be a former recipient of temporary cash assistance  
2 who last received such assistance on or after January 1, 2000;

3           2. Be employed full time, which for the purposes of  
4 this subsection means employment averaging at least 32 hours  
5 per week, or, following Congressional passage of legislation  
6 reauthorizing Temporary Assistance to Needy Families, comply  
7 with the employment requirements of the reauthorized law; and

8           3. Have an average family income for the 6 months  
9 preceding the date of application for wage supplementation  
10 which is less than 100 percent of the federal poverty level.

11           ~~(d) Workforce Florida, Inc., shall determine the~~  
12 ~~schedule for the payment of wage supplementation under this~~  
13 ~~subsection. An individual eligible for wage supplementation~~  
14 ~~under this subsection may receive a payment that equals the~~  
15 ~~amount necessary to bring the individual's total family income~~  
16 ~~for the period covered by the payment to 100 percent of the~~  
17 ~~federal poverty level. An individual may not receive wage~~  
18 ~~supplementation payments for more than a total of 12 months.~~

19           ~~(e) The wage supplementation program authorized by~~  
20 ~~this subsection shall be administered through the regional~~  
21 ~~workforce boards and the one-stop delivery system, under~~  
22 ~~policy guidelines, criteria, and applications developed by~~  
23 ~~Workforce Florida, Inc., in cooperation with the Department of~~  
24 ~~Children and Family Services and the Agency for Workforce~~  
25 ~~Innovation. To the maximum extent possible, the regional~~  
26 ~~workforce boards shall use electronic debit card technologies~~  
27 ~~to provide wage supplementation payments under this program.~~

28           (5)~~(6)~~ EVALUATIONS AND RECOMMENDATIONS.--Workforce  
29 Florida, Inc., in conjunction with the Department of Children  
30 and Family Services, the Agency for Workforce Innovation, and  
31 the regional workforce boards in the areas designated for this



1 demonstration program, shall conduct a comprehensive  
2 evaluation of the effectiveness of the demonstration program  
3 operated under this section. By January 1, 2005 ~~2003~~,  
4 Workforce Florida, Inc., shall submit a report on such  
5 evaluation to the Governor, the President of the Senate, and  
6 the Speaker of the House of Representatives. The report must  
7 include recommendations as to whether the demonstration  
8 program should be expanded to other service areas or statewide  
9 and whether the program should be revised to enhance its  
10 administration or effectiveness.

11 (6)~~(7)~~ CONFLICTS.--If there is a conflict between the  
12 implementation procedures described in this section and  
13 federal requirements and regulations, federal requirements and  
14 regulations shall control.

15 Section 9. The sum of \$1,785,000 is appropriated for  
16 the 2003-2004 fiscal year from the Federal Grants Trust Fund  
17 to the Department of Children and Family Services to provide  
18 bonus payments pursuant to section 445.048(4), Florida  
19 Statutes, and the sum of \$1,074,200 is appropriated for the  
20 2003-2004 fiscal year from the Welfare Transition Trust Fund  
21 to the Agency for Workforce Innovation to extend transitional  
22 benefits and services.

23 Section 10. Section 624.5108, Florida Statutes, is  
24 created to read:

25 624.5108 Casualty insurance assessment offsets;  
26 definitions; provider designations; permissible investments;  
27 required reports; assessment offsets.--

28 (1) SHORT TITLE.--This section may be cited as the  
29 "State Economic Stimulus Plan Act."

30 (2) DEFINITIONS.--As used in this section, the term:

31 (a) "Affiliate" means, with respect to any person:

- 1           1. A person who directly or indirectly:  
2           a. Beneficially owns 10 percent or more of the  
3 outstanding voting securities or other ownership interests of  
4 the other person, whether through rights, options, convertible  
5 interests, or otherwise; or  
6           b. Controls or holds power to vote 10 percent or more  
7 of the outstanding voting securities or other ownership  
8 interests of the other person;  
9           2. A person with 10 percent or more of the outstanding  
10 voting securities or other ownership interests, of which are  
11 directly or indirectly:  
12           a. Beneficially owned by the other person, whether  
13 through rights, options, convertible interest, or otherwise;  
14 or  
15           b. Controlled or held with power to vote by the other  
16 person;  
17           3. A partnership in which the other person is a  
18 general partner; or  
19           4. An officer, employee, or agent of the other person  
20 or an immediate family member of the officer, employee, or  
21 agent.  
22           (b) "Assessments" means the assessments required  
23 pursuant to ss. 440.49 and 440.51.  
24           (c) "Conversion cost" means, for each SESP provider,  
25 all costs and expenses of closing its SESP fund, including,  
26 without limitation, legal, accounting, rating agency, trustee  
27 and placement agent fees and expenses, and any costs of  
28 defeasing and insuring the obligations of the SESP provider to  
29 the investing investors incurred in connection with the SESP  
30 fund or any original issue discount in connection with the  
31 obligations.

1           (d) "Department" means the Office of Tourism, Trade,  
2 and Economic Development, which has regulatory authority over  
3 this section.

4           (e) "Economic development project" means a project or  
5 business that meets the following criteria at the time of the  
6 investment:

7           1. The project or business is headquartered and its  
8 principal operations are located in this state, or at least 50  
9 percent of the employees are employed in this state or the  
10 project or business has committed in writing to move into this  
11 state as a condition of the investment;

12           2. The project or business fosters economic  
13 development in this state;

14           3. There are sufficient resources or the forecast or  
15 business plan for the project or business projects that the  
16 project or business will have sufficient resources to meet any  
17 obligations due to the SESP provider as a result of the  
18 investment;

19           4. The project or business has been approved by the  
20 department pursuant to this section; and

21           5. The project or business is not a business  
22 predominately engaged in professional services provided by  
23 accountants or lawyers.

24           (f) "Fund allocation date" means, with respect to each  
25 SESP provider, the date on which such SESP provider receives  
26 the investments from its investors which entitle its investors  
27 to receive an allocation of the full offset amount authorized  
28 by this section for such SESP provider.

29           (g) "Full offset amount" means, with respect to each  
30 SESP provider, the full face amount of any permitted debt  
31 instruments offered by the SESP provider, which are issued to

1 its investors and evidence such investors' investment in the  
2 SESP provider.

3 (h) "Investor" means any insurer holding a certificate  
4 of authority to transact insurance in this state with a  
5 liability for assessments under ss. 440.49 and 440.51.

6 (i) "Permissible investment" means investments that at  
7 the time of initial purchase or initial investment are:

8 1. Deposits, including certificates of deposit, with a  
9 financial institution that is a member of the Federal Deposit  
10 Insurance Corporation;

11 2. Investment securities that are obligations of the  
12 United States or its departments, agencies, or  
13 instrumentalities or obligations that are guaranteed fully as  
14 to principal and interest by the United States or its  
15 departments, agencies, or instrumentalities;

16 3. Commercial paper rated at least A1, P1, or its  
17 equivalent by at least one nationally recognized rating  
18 organization with a maturity of no more than 365 days.

19 4. Debt instruments rated at the time of the  
20 investment at least AA or its equivalent by a nationally  
21 recognized rating organization, or issued by, or guaranteed  
22 with respect to payment by, an entity whose unsecured  
23 indebtedness is rated at the time of the investment at least  
24 AA or its equivalent by a nationally recognized credit rating  
25 organization and is not subordinated to other unsecured  
26 indebtedness of the issuer or the guarantor;

27 5. Obligations of this state or any political  
28 subdivision thereof;

29 6. Interests in money market funds or other mutual  
30 funds, the portfolios of which are limited to cash and  
31 permissible investments; or

1           7. Any other investments approved in advance and in  
2 writing by the department.

3           (j) "Permitted debt instrument" means a debt  
4 instrument issued by the SESP provider to one or more  
5 investors that do not own any voting equity interest in the  
6 SESP provider which:

7           1. Is issued in exchange for the investment by the  
8 investors of cash in the SESP provider and for no other  
9 consideration;

10           2. Is issued at a discount by the SESP provider;

11           3. Is repayable by the SESP provider, with interest,  
12 only by the availability of offsets to the investor earned as  
13 a result of the investor's investment in the SESP provider;

14           4. Does not entitle the investor to any consideration  
15 or compensation based upon the profits, income, or other  
16 operation of the SESP provider; and

17           5. May not be prepaid by the SESP provider without the  
18 investor's consent.

19           (k) "Person" means any natural person, corporation,  
20 limited liability company, partnership, joint venture, trust,  
21 incorporated or unincorporated association, joint stock  
22 company, government, or agency or political subdivision  
23 thereof, or other entity of any kind.

24           (l) "Principal" means:

25           1. A senior officer or director of a corporation;

26           2. An individual manager of a limited liability  
27 company or a principal of any entity manager;

28           3. An individual general partner of a partnership or  
29 limited partnership or a principal of any entity that serves  
30 as a general partner; or

31

1           4. An individual in a position of similar authority in  
2 an entity not specifically named in this subsection.

3           (m) "SESP" means the state economic stimulus plan.

4           (n) "SESP costs" means:

5           1. The bona fide costs and expenses of managing and  
6 operating the SESP provider, including, without limitation, an  
7 annual management fee that is not to exceed 2.5 percent of the  
8 full offset amount plus professional fees; and

9           2. Distributions to direct or indirect parent entities  
10 of the SESP provider, if the SESP is taxed as partnership,  
11 equal to any projected increase in federal or state income  
12 taxes of such entities, including any related penalties or  
13 interest, resulting from the earnings of the SESP provider,  
14 without regard to any revenues or expenses from other  
15 operations of affiliates of the SESP provider, to the extent  
16 that the increase is related to the ownership, management, or  
17 operations of the SESP provider.

18           (o) "SESP fund" means, for each SESP provider, its  
19 full offset amount less its conversion costs.

20           (p) "SESP provider" means an entity designated under  
21 this section to receive investments from investors and invest  
22 its SESP fund in economic development projects.

23           (3) SESP PROVIDER APPLICATION.--

24           (a) To seek a designation as a SESP provider to the  
25 state, a SESP provider applicant shall submit to the  
26 department an application by November 1, 2003.

27           (b) Each SESP provider applicant shall demonstrate in  
28 its application that it meets the following criteria:

29           1. No principal of the SESP provider applicant shall  
30 have been found guilty of a crime involving fraud, theft,  
31 embezzlement, or moral turpitude;

1           2. The SESP provider applicant shall include with its  
2 application copies of executed written commitments from  
3 potential investors committing to invest cash sufficient to  
4 acquire permitted debt instruments with a face value equal to  
5 at least 10 percent of the maximum full offset amount being  
6 allocated pursuant to subparagraph (5)(a)1.;

7           3. The SESP provider applicant, together with the  
8 members of its control group, as defined in Treasury  
9 Regulation 1.414(c)-2, shall have raised at least \$50 million,  
10 in the aggregate, for investment in small and emerging  
11 businesses within the past 5 calendar years;

12           4. The SESP provider applicant, together with its  
13 affiliates, shall have raised at least \$200 million for  
14 investment purposes within the past 5 calendar years;

15           5. The SESP provider shall be a bankruptcy-remote,  
16 special purpose entity that has no purpose other than  
17 participation under this act and all related activities; and

18           6. No investor or affiliate of an investor shall own  
19 any equity securities in the SESP provider or any affiliate of  
20 the SESP provider.

21           (c) The department shall perform background checks of  
22 the principals of the SESP provider applicant to ensure  
23 compliance with subparagraph (b)1.

24           (d) The department may adopt additional rules to  
25 govern the application process, including the preparation of  
26 forms to be completed as a part of the application process, if  
27 any such rules or forms have been adopted by the department at  
28 least 30 days prior to the deadline for receipt of  
29 applications.

30           (e) The department may deny the application or rescind  
31 the application of a SESP provider if the grounds for

1 rescission are not removed or corrected within 90 days after  
2 the notice of such grounds is received by the SESP provider  
3 applicant. The department may deny the application or rescind  
4 the application of a SESP provider applicant if the SESP  
5 provider applicant, or any principal or director of the SESP  
6 provider applicant, has:

7       1. Violated any provision of this section; or  
8       2. Made a material misrepresentation or concealed any  
9 essential or material fact from any person during the  
10 application process or in connection with the information and  
11 reports required of SESP providers under section 3 of this  
12 act.

13       (f) A SESP provider applicant must file an application  
14 in the form prescribed by the department accompanied by a  
15 nonrefundable application fee of \$7,500. The application must  
16 include an audited balance sheet of the SESP provider  
17 applicant, with an unqualified opinion from an independent  
18 certified public accountant, as of a date not more than 35  
19 days before the date of the application.

20       (g) The SESP provider applicant must have incorporated  
21 or organized within the state no later than 15 days before  
22 applying for certification.

23       (h) The SESP provider applicant must have established  
24 an office within the state before or within 60 days of SESP  
25 provider status.

26       (4) ALLOCATION PROCESS.--

27       (a) The maximum full offset amount to be allocated to  
28 SESP providers pursuant to this section shall be an amount  
29 equal to the aggregate of all allocation claims received by  
30 the department by the department's stated deadline, if such  
31 allocation is limited to \$200 million.



1           (b) No single investor, together with its affiliates,  
2 shall invest or commit to invest more than 20 percent of the  
3 maximum full offset amount in all SESP providers.

4           (c) The SESP provider allocation process shall occur  
5 on or before 60 days following the SESP provider application  
6 deadline and shall include all SESP providers, so designated  
7 by the department as of the SESP application deadline.

8           (d) Each SESP provider must apply to the department  
9 for an allocation of offsets for potential investors on a form  
10 developed by the department. The form must be accompanied by  
11 an affidavit from each potential investor confirming that the  
12 potential investor has agreed to make an investment in a  
13 permitted debt instrument issued by a SESP provider up to a  
14 specified amount, subject only to the offset allocation  
15 pursuant to this subsection. A SESP provider may not submit  
16 offset allocation claims on behalf of investors that, in the  
17 aggregate, total more than the maximum full offset amount  
18 authorized under paragraph (5)(a). An allocation may not be  
19 made to the potential investors of a SESP provider unless such  
20 SESP provider has met all requirements of subsection (3), and  
21 has filed allocation claims of not less than \$20 million in  
22 the aggregate.

23           (e) The department shall inform each SESP provider of  
24 its share of full offsets available for allocation to each of  
25 its potential investors.

26           (f) If within 10 business days after the investor  
27 received a notice of offset allocation a SESP provider does  
28 not receive investments sufficient to purchase permitted debt  
29 instruments issued by the SESP provider to a potential  
30 investor, the SESP provider shall notify the department by  
31 overnight common carrier delivery service of the company's

1 failure to receive the investment. That portion of the offset  
2 allocated to the SESP provider shall be forfeited. If the  
3 office must make a pro rata allocation under subsection (5),  
4 the department shall reallocate such available offsets among  
5 the other SESP providers on the same pro rata basis as the  
6 initial allocation.

7 (g) If the full face amount of the permitted debt  
8 instruments offered by the SESP providers committed by all  
9 investors to SESP providers in offset allocation claims  
10 received by a deadline set by the department exceeds the  
11 aggregate cap on the amount of offsets, the offsets that may  
12 be allowed to any one investor shall be allocated using the  
13 following ratio:

$$14 \quad \quad \quad A/B = X/\$200,000,000$$

15 where the letter "A" represents the full face amount that  
16 investors have agreed to invest in any one SESP provider, the  
17 letter "B" represents the aggregate face amount of investments  
18 that all investors have agreed to invest in all SESP  
19 providers, the letter "X" is the numerator and represents the  
20 full amount of offsets or full offset amount that may be  
21 allocated to a SESP provider on a date determined by rule  
22 adopted by the department, and \$200 million is the denominator  
23 and represents the full offset amount that may be allocated to  
24 all SESP providers.

25 (h) To the extent that the full face amount of  
26 investments raised in connection with the procedure set forth  
27 in this subsection is less than \$200 million, the department  
28 may adopt rules to allow a subsequent allocation of the  
29 remaining offsets authorized under this subsection.

30 (i) The department shall issue a certification letter  
31 for each investor, showing the approved offset amount and the

1 face amount and price of the permitted debt instrument under  
2 which the investor invested in the SESP provider. The  
3 applicable SESP provider shall attest to the validity of the  
4 certification letter.

5 (5) SESP FUND INVESTMENT.--

6 (a) Until the SESP provider has invested 100 percent  
7 of the full offset amount in economic development projects,  
8 money in the SESP fund shall be used only for:

- 9 1. Investments in economic development projects;
- 10 2. Permissible investments; and
- 11 3. SESP costs.

12 (b) The SESP provider may not make any payments, other  
13 than SESP costs, to any affiliate or any other person owning  
14 equity securities in the SESP provider has invested 100  
15 percent of the full offset amount in economic development  
16 projects.

17 (c) All amounts invested in economic development  
18 projects made by the SESP provider shall count toward the 100  
19 percent-investment-requirement of paragraphs (b) and (c),  
20 including money returned to the SESP provider by or as a  
21 result of a prior investment in an economic development  
22 project.

23 (d) Any investment that is an economic development  
24 project at the time of the SESP provider's initial investment  
25 shall be classified as an economic development project for any  
26 follow-on investment by the SESP provider so long as the  
27 economic development project still meets the criteria in  
28 subparagraphs (2)(e)1. and 2.

29 (e) The SESP provider shall, within 24 months after  
30 the fund allocation date, invest no less than 20 percent of  
31 the full offset amount in economic development projects and,

1 within each 12 months thereafter, shall invest no less than an  
2 additional 10 percent until 100 percent of the full offset  
3 amount is invested. If, within the initial 24-month period or  
4 any 12-month period thereafter, the SESP provider fails to  
5 meet the investment target of this subsection, the management  
6 fee for that period shall be reduced by the percentage equal  
7 to the cumulative investments made divided by the cumulative  
8 investment target for that period subtracted from 100 percent.  
9 A determination of a reduction pursuant to this subsection  
10 shall be made during the annual audit required by subsection  
11 (6).

12 (f) Any SESP funds not held in economic development  
13 projects shall be held in cash or permissible investments.

14 (g) The department shall approve a proposed investment  
15 as an economic development project or a permissible  
16 investment, as the case may be, within 20 days after its  
17 receipt of a written request from the SESP provider. If the  
18 department fails to respond within the 20-day period, the  
19 proposed investment shall be deemed to be approved as an  
20 economic development project or permissible investment, as  
21 requested by the SESP provider. Absent fraud or material  
22 misrepresentations by the SESP provider or its proposed  
23 investee, the approval of the department pursuant to this  
24 subsection shall be conclusive.

25 (6) SESP PROVIDER; REPORTS.--

26 (a) Within 30 days after the fund allocation date, the  
27 SESP provider shall report to the department and the Chief  
28 Financial Officer the following:

29 1. The name of each investor from whom an investment  
30 was received, including the investor's identification number;

31 2. The amount of each investor's investment; and

1           3. The date on which the money was received.  
2           (b) Within 90 days after an economic development  
3 project investment made by the SESP provider, the SESP  
4 provider shall report to the department the following:  
5           1. The name and address of each project receiving the  
6 investment and a description of its business;  
7           2. The amount of the investment and a brief  
8 description of the terms;  
9           3. The date on which the money was received; and  
10          4. Any other information required by the department.  
11          (c) Not later than each anniversary of the fund  
12 allocation date, the SESP provider shall report to the  
13 department the amount the SESP provider has invested in  
14 economic development projects during the previous year, the  
15 percentage of the SESP funds invested to determine the  
16 threshold required in paragraph (5)(f), along with a copy of  
17 the material documentation pertaining to the investment, and  
18 any other information required by the department.  
19          (d) Not later than April 30 of each year, the SESP  
20 provider shall provide to the department an annual audited  
21 financial statement for the SESP provider which includes the  
22 opinion of an independent accountant.  
23          (e) Upon investment in economic development projects  
24 equaling 100 percent of the full offset amount, the SESP  
25 provider shall no longer be subject to the State Economic  
26 Stimulus Plan Act.  
27          (7) SESP PROVIDER ASSESSMENT OFFSETS.--  
28          (a) Each investor that makes an investment in the SESP  
29 provider shall earn offsets against future assessments under  
30 ss. 448.49 and 440.51 equal to the face amount of the  
31 permitted debt instrument offered by the SESP provider, issued

1 to the investors and evidencing their investment of cash in  
2 the SESP provider. Such offsets shall be earned on the fund  
3 allocation date.

4 (b) Each investor investing in the SESP provider may:

5 1. Take up to 10 percent of the vested assessment  
6 offsets against investor assessments each year for 10  
7 consecutive years, beginning with the annual return filed with  
8 respect to the fund allocation date;

9 2. Reduce its estimated payments of assessment  
10 liability for each year for which offsets are available to  
11 offset assessment liability by the same percentage as the  
12 percentage payment due on each estimated payment date; and

13 3. Credits shall first be applied to assessments under  
14 s. 440.49 and any credit remaining after that application  
15 shall be applied to the assessments under s. 440.51.

16 (c) The offsets against assessments which are used by  
17 an investor with respect to any year may not exceed the full  
18 assessment liability of the investor for that year.

19 (d) Any offsets against assessments which an investor  
20 is permitted to use under paragraphs (a) and (b) but is unable  
21 to use because of paragraph (c), may be carried forward  
22 indefinitely and used to offset the investor's assessment  
23 liability in any subsequent year in which the investor has  
24 sufficient assessment liability, including in a year in which  
25 the investor also uses assessment offsets that are allocated  
26 to that year under paragraph (b).

27 (e) An investor that has invested in the SESP provider  
28 is not required to reduce the amount of assessment including  
29 by the investor in connection with the ratemaking for any  
30 insurance contract written in this department because of a  
31

1 reduction in the investor's assessment derived from the  
2 offsets granted under this subsection.

3 (f) If the assessments that an investor does not pay  
4 by virtue of the offsets earned under this subsection would  
5 constitute a credit against another tax or assessment if paid,  
6 the investor shall continue to earn the credit as though the  
7 offset assessments were paid by cash.

8 (g) An investor may transfer the offsets it earns  
9 under this subsection to another investor if the transferor  
10 delivers to the director of the Office of Insurance Regulation  
11 within 30 days after the transfer a written notice indicating  
12 the name of the transferee, the amount of offsets being  
13 transferred and the year or years to which such offsets are  
14 allocable as provided in paragraph (b).

15 Section 11. Section 1004.225, Florida Statutes, is  
16 amended to read:

17 1004.225 Florida Technology Development Act.--

18 (1) This section may be cited as the "Florida  
19 Technology Development Act."

20 (2) "Center of excellence," as used in this section,  
21 means an organization of personnel, facilities, and equipment  
22 established at or in collaboration with one or more  
23 universities in Florida to accomplish the purposes and  
24 objectives of this section. The purposes and objectives of a  
25 center of excellence include:

26 (a) Identifying and pursuing opportunities for  
27 university scholars, research center scientists and engineers,  
28 and private businesses to form collaborative partnerships to  
29 foster and promote the research required to develop  
30 commercially promising, advanced, and innovative technologies  
31 and to transfer those technologies to commercial sectors.

1 (b) Acquiring and leveraging public and private sector  
2 funding to provide the totality of funds, personnel,  
3 facilities, equipment, and other resources needed to support  
4 the research required to develop commercially promising,  
5 advanced, and innovative technologies and to transfer those  
6 technologies to commercial sectors.

7 (c) Recruiting and retaining world class scholars,  
8 high-performing students, and leading scientists and engineers  
9 in technology disciplines to engage in research in this state  
10 to develop commercially promising, advanced, and innovative  
11 technologies.

12 (d) Enhancing and expanding technology curricula and  
13 laboratory resources at universities and research centers in  
14 this state.

15 (e) Increasing the number of high-performing students  
16 in technology disciplines who graduate from universities in  
17 this state and pursue careers in this state.

18 (f) Stimulating and supporting the inception, growth,  
19 and diversification of technology-based businesses and  
20 ventures in Florida and increasing employment opportunities  
21 for the workforce needed to support such businesses.

22 (3) ~~Subject to legislative appropriation,~~The Emerging  
23 Technology Commission, or "commission," is created within the  
24 Executive Office of the Governor to guide the establishment of  
25 centers of excellence.

26 (a) The commission shall consist of five regular  
27 members appointed by the Governor, one of whom the Governor  
28 shall appoint as chair of the commission; two regular members  
29 appointed by the President of the Senate; two regular members  
30 appointed by the Speaker of the House of Representatives;  
31 ~~before January 7, 2003, the Secretary of Education as an ex~~



1 ~~officio nonvoting member; effective January 7, 2003,~~the  
2 Commissioner of Education as an ex officio nonvoting member;  
3 and, as ex officio nonvoting members, the member of the Senate  
4 and the member of the House of Representatives who serve as  
5 members of the Florida Research Consortium, Inc. The regular  
6 members shall be business leaders, industrial researchers,  
7 academic researchers, scientists, or engineers who have been  
8 recognized as leaders in the state's emerging and advanced  
9 technology sectors. ~~Regular members must be appointed on or~~  
10 ~~before July 1, 2002.~~

11 (b) Members of the commission shall serve without  
12 compensation but shall be entitled to receive per diem and  
13 travel expenses in accordance with s. 112.061 while in  
14 performance of their duties.

15 (c) The Executive Office of the Governor shall provide  
16 staff support for the activities of the commission and per  
17 diem and travel expenses for commission members.

18 (4) By August 1, 2002, Florida Research Consortium,  
19 Inc., shall provide a report to the commission which describes  
20 in detail and prioritizes factors that contribute to the  
21 success of the creation of centers of excellence. At a  
22 minimum, the report should describe and prioritize the  
23 following factors:

24 (a) Maturity of existing university programs relating  
25 to a proposed center of excellence.

26 (b) Existing amount of university resources dedicated  
27 to activities relating to a proposed center of excellence.

28 (c) Comprehensiveness and effectiveness of site plans  
29 relating to a proposed center of excellence.

30 (d) Regional economic structure and climate.

31

1           (e) The degree to which a university proposed to house  
2 a center of excellence identifies and seizes opportunities to  
3 collaborate with other public or private entities for research  
4 purposes.

5           (f) The presence of a comprehensive performance and  
6 accountability measurement system.

7           (g) The use of an integrated research and development  
8 strategy utilizing multiple levels of the educational system.

9           (h) The ability of a university proposed to house a  
10 center of excellence to raise research funds and leverage  
11 public and private investment dollars to support advanced and  
12 emerging technological research and development projects.

13           (i) The degree to which a university proposed to house  
14 a center of excellence transfers advanced and emerging  
15 technologies from its laboratories to the commercial sector.

16           (j) The degree to which a university proposed to house  
17 a center of excellence stimulates and supports new venture  
18 creation.

19           (k) The existence of a plan to enhance academic  
20 curricula by improving communication between academia and  
21 industry.

22           (l) The existence of a plan to increase the number,  
23 quality, and retention rate of faculty, graduate students, and  
24 eminent scholars in advanced and emerging technology-based  
25 disciplines.

26           (m) The existence of a plan to increase the likelihood  
27 of faculty, graduate students, and eminent scholars pursuing  
28 private sector careers in the state.

29           (n) Ability to provide capital facilities necessary to  
30 support research and development.

31

1 (5) By September 15, 2002, the commission shall  
2 develop and approve criteria for evaluating proposals  
3 submitted under this section ~~subsection (6)~~. When developing  
4 such criteria, the commission shall consider the report  
5 provided by Florida Research Consortium, Inc., under  
6 subsection (4) and hold at least two public hearings, at times  
7 and locations designated by the chair of the commission, for  
8 the purpose of soliciting expert testimony. By October 1,  
9 2002, the commission shall provide a list of such criteria to  
10 each university in the State University System and to the  
11 State Technology Office for publishing on the Internet within  
12 24 hours after the office's receipt of the list.

13 (6) Concurrent with the provision of the list of  
14 criteria to the universities, the commission shall notify each  
15 university, in writing, of the opportunity to submit to the  
16 commission written proposals for establishing one or more  
17 centers of excellence. Proposals must specifically address the  
18 evaluation criteria developed by the commission and delineate  
19 how funding would be used to develop one or more centers of  
20 excellence. Proposals must be submitted to the commission by  
21 December 1, 2002. Notwithstanding this deadline, the  
22 commission, upon an affirmative vote of a majority of its  
23 members, may accept a proposal submitted after the deadline.

24 (7) By February 1, 2003, the commission shall submit  
25 to the State Board of Education a minimum of two, but no more  
26 than five, recommended plans for the establishment of one or  
27 more centers of excellence in the state. Recommended plans  
28 must specifically address the evaluation criteria developed by  
29 the commission and delineate how funding would be used to  
30 develop one or more centers of excellence. When developing  
31 such recommended plans, the commission shall consider the

1 university proposals submitted under subsection (6) and hold  
2 at least three public hearings, at times and locations  
3 designated by the chair of the commission, for the purpose of  
4 soliciting expert testimony including, but not limited to,  
5 viewing presentations of university proposals.

6 (8) By March 15, 2003, the State Board of Education  
7 shall develop and approve a final plan for the establishment  
8 of one or more centers of excellence in the state and  
9 authorize expenditures for implementation of the plan. The  
10 final plan must allocate at least \$10 million to each center  
11 of excellence established by the plan. When developing this  
12 final plan, the board shall consider the commission's  
13 recommended plans submitted under subsection (7) and hold at  
14 least one public hearing for the purpose of soliciting expert  
15 testimony. The final plan must include performance and  
16 accountability measures that can be used to assess the  
17 progress of plan implementation and the success of the centers  
18 of excellence established under the final plan. By March 22,  
19 2003, the board shall provide a copy of the final plan to the  
20 Governor, the President of the Senate, and the Speaker of the  
21 House of Representatives.

22 (9) Beginning June 30, 2003, the commission shall  
23 report quarterly, in writing, to the Commissioner of Education  
24 on the progress of the implementation of the final plan  
25 approved under subsection (8) and the success of the centers  
26 of excellence established under that plan.

27 (10)(a) Notwithstanding any provision in this section  
28 to the contrary, and subject to appropriation by the  
29 Legislature in the General Appropriations Act for fiscal year  
30 2003-2004, the commission shall, by August 1, 2003, reissue  
31 the list of criteria developed and approved under subsection

1 (5) to each university in the state and to the State  
2 Technology Office for publishing on the Internet within 24  
3 hours after the office's receipt of the list.  
4 (b) Concurrent with the provision of the list of  
5 criteria under paragraph (a), the commission shall notify each  
6 university, in writing, of the opportunity to submit to the  
7 commission written proposals for establishing one center of  
8 excellence under this subsection, which center shall be in  
9 addition to any centers of excellence established under other  
10 provisions of this section. Proposals must specifically  
11 address the evaluation criteria developed by the commission  
12 and delineate how funding would be used to develop the center  
13 of excellence. Proposals must be submitted to the commission  
14 before October 1, 2003.  
15 (c) By December 1, 2003, the commission shall submit  
16 to the State Board of Education a recommended plan for the  
17 establishment of one center of excellence under this  
18 subsection. The recommended plan must specifically address the  
19 evaluation criteria developed by the commission and delineate  
20 how funding would be used to develop the center of excellence.  
21 When developing the recommended plan, the commission shall  
22 consider the proposals submitted under this subsection and  
23 hold at least two public hearings, at times and locations  
24 designated by the chair of the commission, for the purpose of  
25 soliciting expert testimony, including, but not limited to,  
26 viewing presentations of university proposals.  
27 (d) By February 1, 2004, the State Board of Education  
28 shall develop and approve a final plan for the establishment  
29 of one center of excellence in the state under this subsection  
30 and authorize expenditures for implementation of the plan. The  
31 board shall consider the commission's recommended plan under

1 paragraph (c) and hold at least one public hearing for the  
2 purpose of soliciting expert testimony. The final plan must  
3 include performance and accountability measures that can be  
4 used to assess the progress of plan implementation and the  
5 success of the center of excellence established under the  
6 final plan. By February 15, 2004, the board shall provide a  
7 copy of the final plan to the Governor, the President of the  
8 Senate, and the Speaker of the House of Representatives.

9 (e) Beginning June 30, 2004, the commission shall  
10 report quarterly, in writing, to the Commissioner of Education  
11 on the progress of the implementation of the final plan  
12 approved under paragraph (d) and the success of the center of  
13 excellence established under that plan.

14 (11)(10) This section expires July 1, 2005 2004.

15 Section 12. The sum of \$50,000 is appropriated from  
16 the General Revenue Fund to the Executive Office of the  
17 Governor for the purpose of providing staff and administrative  
18 support to the Emerging Technology Commission and per diem and  
19 travel expenses for commission members during the 2003-2004  
20 fiscal year.

21 Section 13. This act shall take effect July 1, 2003.  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2 COMMITTEE SUBSTITUTE FOR  
3 CS/CS/SB 2328 & SB 2252  
4 This committee substitute removes a decrease in the threshold  
5 for business equipment that is tax exempt when purchased for  
6 use in an enterprise zone from \$5000 to \$500. It also removes  
7 a provision that broadened the eligibility for capital  
8 investment tax credits. It adds an amendment to the Passport  
9 to Economic Progress demonstration program, incorporating  
10 recommendations made by Workforce Florida, Inc. It provides  
11 an appropriation from TANF funds. It adds a new section of  
12 law that provides offsets against casualty insurance  
13 assessments for investments made in State Economic Stimulus  
14 Plan (SESP) providers. It amends the Florida Technology  
15 Development Act and provides for the creation of one center of  
16 excellence, subject to an appropriation. It provides an  
17 appropriation to the Executive Office of the Governor to  
18 provide support staff and travel and per diem expenses for the  
19 Emerging Technology Commission.  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31