

Bill No. CS for SB 2492

Amendment No. Barcode 120548

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Garcia moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	On page 8, between lines 14 and 15,		
15			
16	insert:		
17	Section 4. Effective upon this act becoming a law,		
18	paragraph (h) of subsection (1) of section 220.191, Florida		
19	Statutes, is amended to read:		
20	220.191 Capital investment tax credit.--		
21	(1) DEFINITIONS.--For purposes of this section:		
22	(h) "Qualifying project" means:		
23	1. A new or expanding facility in this state which		
24	creates at least 100 new jobs in this state and is in one of		
25	the high-impact sectors identified by Enterprise Florida,		
26	Inc., and certified by the office pursuant to s. 288.108(6),		
27	including, but not limited to, aviation, aerospace,		
28	automotive, and silicon technology industries; or-		
29	2. <u>A new financial services facility in this state</u>		
30	<u>which creates at least 2,000 new jobs in this state, pays an</u>		
31	<u>average annual wage of at least \$50,000, and makes a capital</u>		

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1 investment of at least \$30 million. This subparagraph expires
2 June 30, 2004.

3 Section 5. Paragraph (e) of subsection (1) and
4 paragraph (b) of subsection (4) of section 288.1045, Florida
5 Statutes, are amended to read:

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

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

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

23 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND
24 AGREEMENT.--

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

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

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

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

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

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1 amending the agreement of a qualified applicant receiving an
2 economic-stimulus exemption, the office may extend the
3 duration of the agreement for a period not to exceed 1 year.

4 4. A qualified applicant may submit a request for an
5 economic-stimulus exemption to the office in lieu of any tax
6 refund claim scheduled to be submitted after January 1, 2001,
7 but before June 30, 2004 ~~July 1, 2003~~. However, a qualified
8 applicant that has received at least one economic-stimulus
9 exemption may not apply for an additional exemption.

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

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

16 288.106 Tax refund program for qualified target
17 industry businesses.--

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

19 (o) "Target industry business" means a corporate
20 headquarters business or any business that is engaged in one
21 of the target industries identified pursuant to the following
22 criteria developed by the office in consultation with
23 Enterprise Florida, Inc.:

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

29 2. Stability.--The industry should not be subject to
30 periodic layoffs, whether due to seasonality or sensitivity to
31 volatile economic variables such as weather. The industry

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1 should also be relatively resistant to recession, so that the
2 demand for products of this industry is not necessarily
3 subject to decline during an economic downturn.

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

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

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

20 6. Economic benefits.--The industry should have strong
21 positive impacts on or benefits to the state and regional
22 economies.

23
24 The office, in consultation with Enterprise Florida, Inc.,
25 shall develop a list of such target industries annually and
26 submit such list as part of the final agency legislative
27 budget request submitted pursuant to s. 216.023(1). A target
28 industry business may not include any industry engaged in
29 retail activities; any electrical utility company; any
30 phosphate or other solid minerals severance, mining, or
31 processing operation; any oil or gas exploration or production

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1 operation; or any firm subject to regulation by the Division
2 of Hotels and Restaurants of the Department of Business and
3 Professional Regulation.

4 (4) TAX REFUND AGREEMENT.--

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

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

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

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1 terms and conditions of its tax refund agreement.

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

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

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

25 Section 7. Effective upon this act becoming a law,
26 subsection (4) is added to section 288.1088, Florida Statutes,
27 to read:

28 288.1088 Quick Action Closing Fund.--

29 (4) The Governor may, in an emergency or special
30 circumstance and with the approval of the President of the
31 Senate and the Speaker of the House of Representatives,

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1 reallocate unencumbered funds appropriated to the Quick Action
2 Closing Fund to supplement statutorily created economic
3 development programs and operations. The Executive Office of
4 the Governor shall recommend approval of the transfer and
5 release of funds pursuant to the legislative consultation and
6 review requirements set forth in s. 216.177.

7 Section 8. Section 1004.225, Florida Statutes, is
8 amended to read:

9 1004.225 Florida Technology Development Act.--

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

12 (2) "Center of excellence," as used in this section,
13 means an organization of personnel, facilities, and equipment
14 established at or in collaboration with one or more
15 universities in Florida to accomplish the purposes and
16 objectives of this section. The purposes and objectives of a
17 center of excellence include:

18 (a) Identifying and pursuing opportunities for
19 university scholars, research center scientists and engineers,
20 and private businesses to form collaborative partnerships to
21 foster and promote the research required to develop
22 commercially promising, advanced, and innovative technologies
23 and to transfer those technologies to commercial sectors.

24 (b) Acquiring and leveraging public and private sector
25 funding to provide the totality of funds, personnel,
26 facilities, equipment, and other resources needed to support
27 the research required to develop commercially promising,
28 advanced, and innovative technologies and to transfer those
29 technologies to commercial sectors.

30 (c) Recruiting and retaining world class scholars,
31 high-performing students, and leading scientists and engineers

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1 | in technology disciplines to engage in research in this state
2 | to develop commercially promising, advanced, and innovative
3 | technologies.

4 | (d) Enhancing and expanding technology curricula and
5 | laboratory resources at universities and research centers in
6 | this state.

7 | (e) Increasing the number of high-performing students
8 | in technology disciplines who graduate from universities in
9 | this state and pursue careers in this state.

10 | (f) Stimulating and supporting the inception, growth,
11 | and diversification of technology-based businesses and
12 | ventures in Florida and increasing employment opportunities
13 | for the workforce needed to support such businesses.

14 | (3) ~~Subject to legislative appropriation,~~ The Emerging
15 | Technology Commission, or "commission," is created within the
16 | Executive Office of the Governor to guide the establishment of
17 | centers of excellence.

18 | (a) The commission shall consist of five regular
19 | members appointed by the Governor, one of whom the Governor
20 | shall appoint as chair of the commission; two regular members
21 | appointed by the President of the Senate; two regular members
22 | appointed by the Speaker of the House of Representatives;
23 | ~~before January 7, 2003, the Secretary of Education as an ex~~
24 | ~~officio nonvoting member; effective January 7, 2003, the~~
25 | Commissioner of Education as an ex officio nonvoting member;
26 | and, as ex officio nonvoting members, the member of the Senate
27 | and the member of the House of Representatives who serve as
28 | members of the Florida Research Consortium, Inc. The regular
29 | members shall be business leaders, industrial researchers,
30 | academic researchers, scientists, or engineers who have been
31 | recognized as leaders in the state's emerging and advanced

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1 technology sectors. ~~Regular members must be appointed on or~~
2 ~~before July 1, 2002.~~

3 (b) Members of the commission shall serve without
4 compensation but shall be entitled to receive per diem and
5 travel expenses in accordance with s. 112.061 while in
6 performance of their duties.

7 (c) The Executive Office of the Governor shall provide
8 staff support for the activities of the commission and per
9 diem and travel expenses for commission members.

10 (4) By August 1, 2002, Florida Research Consortium,
11 Inc., shall provide a report to the commission which describes
12 in detail and prioritizes factors that contribute to the
13 success of the creation of centers of excellence. At a
14 minimum, the report should describe and prioritize the
15 following factors:

16 (a) Maturity of existing university programs relating
17 to a proposed center of excellence.

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

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

22 (d) Regional economic structure and climate.

23 (e) The degree to which a university proposed to house
24 a center of excellence identifies and seizes opportunities to
25 collaborate with other public or private entities for research
26 purposes.

27 (f) The presence of a comprehensive performance and
28 accountability measurement system.

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

31 (h) The ability of a university proposed to house a

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1 center of excellence to raise research funds and leverage
2 public and private investment dollars to support advanced and
3 emerging technological research and development projects.

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

7 (j) The degree to which a university proposed to house
8 a center of excellence stimulates and supports new venture
9 creation.

10 (k) The existence of a plan to enhance academic
11 curricula by improving communication between academia and
12 industry.

13 (l) The existence of a plan to increase the number,
14 quality, and retention rate of faculty, graduate students, and
15 eminent scholars in advanced and emerging technology-based
16 disciplines.

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

20 (n) Ability to provide capital facilities necessary to
21 support research and development.

22 (5) By September 15, 2002, the commission shall
23 develop and approve criteria for evaluating proposals
24 submitted under this section ~~subsection (6)~~. When developing
25 such criteria, the commission shall consider the report
26 provided by Florida Research Consortium, Inc., under
27 subsection (4) and hold at least two public hearings, at times
28 and locations designated by the chair of the commission, for
29 the purpose of soliciting expert testimony. By October 1,
30 2002, the commission shall provide a list of such criteria to
31 each university in the State University System and to the

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1 State Technology Office for publishing on the Internet within
2 24 hours after the office's receipt of the list.

3 (6) Concurrent with the provision of the list of
4 criteria to the universities, the commission shall notify each
5 university, in writing, of the opportunity to submit to the
6 commission written proposals for establishing one or more
7 centers of excellence. Proposals must specifically address the
8 evaluation criteria developed by the commission and delineate
9 how funding would be used to develop one or more centers of
10 excellence. Proposals must be submitted to the commission by
11 December 1, 2002. Notwithstanding this deadline, the
12 commission, upon an affirmative vote of a majority of its
13 members, may accept a proposal submitted after the deadline.

14 (7) By February 1, 2003, the commission shall submit
15 to the State Board of Education a minimum of two, but no more
16 than five, recommended plans for the establishment of one or
17 more centers of excellence in the state. Recommended plans
18 must specifically address the evaluation criteria developed by
19 the commission and delineate how funding would be used to
20 develop one or more centers of excellence. When developing
21 such recommended plans, the commission shall consider the
22 university proposals submitted under subsection (6) and hold
23 at least three 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 (8) By March 15, 2003, the State Board of Education
28 shall develop and approve a final plan for the establishment
29 of one or more centers of excellence in the state and
30 authorize expenditures for implementation of the plan. The
31 final plan must allocate at least \$10 million to each center

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1 of excellence established by the plan. When developing this
2 final plan, the board shall consider the commission's
3 recommended plans submitted under subsection (7) and hold at
4 least one public hearing for the purpose of soliciting expert
5 testimony. The final plan must include performance and
6 accountability measures that can be used to assess the
7 progress of plan implementation and the success of the centers
8 of excellence established under the final plan. By March 22,
9 2003, the board shall provide a copy of the final plan to the
10 Governor, the President of the Senate, and the Speaker of the
11 House of Representatives.

12 (9) Beginning June 30, 2003, the commission shall
13 report quarterly, in writing, to the Commissioner of Education
14 on the progress of the implementation of the final plan
15 approved under subsection (8) and the success of the centers
16 of excellence established under that plan.

17 (10)(a) Notwithstanding any provision in this section
18 to the contrary, and subject to appropriation by the
19 Legislature in the General Appropriations Act for fiscal year
20 2003-2004, the commission shall, by August 1, 2003, reissue
21 the list of criteria developed and approved under subsection
22 (5) to each university in the state and to the State
23 Technology Office for publishing on the Internet within 24
24 hours after the office's receipt of the list.

25 (b) Concurrent with the provision of the list of
26 criteria under paragraph (a), the commission shall notify each
27 university, in writing, of the opportunity to submit to the
28 commission written proposals for establishing one center of
29 excellence under this subsection, which center shall be in
30 addition to any centers of excellence established under other
31 provisions of this section. Proposals must specifically

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1 address the evaluation criteria developed by the commission
2 and delineate how funding would be used to develop the center
3 of excellence. Proposals must be submitted to the commission
4 before October 1, 2003.

5 (c) By December 1, 2003, the commission shall submit
6 to the State Board of Education a recommended plan for the
7 establishment of one center of excellence under this
8 subsection. The recommended plan must specifically address the
9 evaluation criteria developed by the commission and delineate
10 how funding would be used to develop the center of excellence.
11 When developing the recommended plan, the commission shall
12 consider the proposals submitted under this subsection and
13 hold at least two public hearings, at times and locations
14 designated by the chair of the commission, for the purpose of
15 soliciting expert testimony, including, but not limited to,
16 viewing presentations of university proposals.

17 (d) By February 1, 2004, the State Board of Education
18 shall develop and approve a final plan for the establishment
19 of one center of excellence in the state under this subsection
20 and authorize expenditures for implementation of the plan. The
21 board shall consider the commission's recommended plan under
22 paragraph (c) and hold at least one public hearing for the
23 purpose of soliciting expert testimony. The final plan must
24 include performance and accountability measures that can be
25 used to assess the progress of plan implementation and the
26 success of the center of excellence established under the
27 final plan. By February 15, 2004, the board shall provide a
28 copy of the final plan to the Governor, the President of the
29 Senate, and the Speaker of the House of Representatives.

30 (e) Beginning June 30, 2004, the commission shall
31 report quarterly, in writing, to the Commissioner of Education

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1 on the progress of the implementation of the final plan
2 approved under paragraph (d) and the success of the center of
3 excellence established under that plan.

4 ~~(11)(10)~~ This section expires July 1, 2005 ~~2004~~.

5 Section 9. The sum of \$50,000 is appropriated from the
6 General Revenue Fund to the Executive Office of the Governor
7 for the purpose of providing staff and administrative support
8 to the Emerging Technology Commission and per diem and travel
9 expenses for commission members during the 2003-2004 fiscal
10 year.

11 Section 10. Effective upon this act becoming a law,
12 the proviso immediately following Specific Appropriation 173A
13 of Chapter 2002-394, Laws of Florida, is repealed.

14
15 (Redesignate subsequent sections.)

16
17

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

19 And the title is amended as follows:

20 On page 1, line 26, after the semicolon

21

22 insert:

23 amending s. 220.191, F.S.; redefining the term
24 "qualifying project" for purposes of capital
25 investment tax credits; amending s. 288.1045,
26 F.S.; revising the definition of "Department of
27 Defense contract" under the tax refund program
28 for qualified defense contractors; extending
29 the period applicable to a program exemption
30 under certain conditions; amending s. 288.106,
31 F.S.; providing for special consideration to be

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1 given to defense and homeland security under
2 the tax refund program for qualified target
3 industry businesses; extending the period
4 applicable to a program exemption under certain
5 conditions; amending s. 288.1088, F.S.;
6 revising requirements and providing powers of
7 the Governor with respect to using funds in the
8 Quick Action Closing Fund; amending s.
9 1004.225, F.S.; removing historical provisions;
10 conforming changes; providing for the
11 designation of an additional center of
12 excellence; providing application, evaluation,
13 and designation procedures; extending the
14 expiration of the Florida Technology
15 Development Act; providing an appropriation;
16 repealing proviso in chapter 2002-394, L.O.F.,
17 relating to the requirement for approval of an
18 expenditure plan prior to release of
19 appropriations for funding University Centers
20 of Excellence;

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