

By the Committee on Commerce, Economic Opportunities, and  
Consumer Services; and Senator Garcia

310-2125-03

1                                   A bill to be entitled  
2           An act relating to economic development;  
3           reenacting and amending s. 288.9515, F.S.;  
4           revising and clarifying powers of Enterprise  
5           Florida, Inc., to develop authorized technology  
6           development programs; deleting a preference  
7           requirement for contractor selections;  
8           clarifying a requirement for capitalization of  
9           a technology development financing fund;  
10          revising criteria and requirements for  
11          investment of moneys in the Florida Technology  
12          Research Investment Fund; providing for payment  
13          of certain claims from the fund; specifying  
14          nonapplication of state credit or taxing power;  
15          specifying absence of state liability for  
16          certain claims; directing Enterprise Florida,  
17          Inc., to facilitate the formation of investor  
18          networks; repealing s. 288.9517, F.S., relating  
19          to audits of the technology development board  
20          and confidentiality of the identity of certain  
21          contributors to the board; repealing s. 14, ch.  
22          93-187, Laws of Florida, relating to the future  
23          repeal and review by the Legislature of  
24          statutes governing certain technology  
25          development programs of Enterprise Florida,  
26          Inc.; providing an effective date.

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

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30           Section 1. Notwithstanding section 14 of chapter  
31 93-187, Laws of Florida, section 288.9515, Florida Statutes,

1 shall not stand repealed on December 31, 2003, as scheduled by  
2 such law, but that section is reenacted and amended to read:

3 288.9515 Authorized technology development programs.--

4 (1) Enterprise Florida, Inc., may create technology  
5 development and applications services, and may serve as an  
6 umbrella organization for the coordination of information that  
7 provides technology applications service providers throughout  
8 ~~the state which provide~~ critical, managerial, technological,  
9 scientific, and related financial and business expertise  
10 essential for international and domestic competitiveness to  
11 small-sized and medium-sized manufacturing and knowledge-based  
12 service firms. Enterprise Florida, Inc., is authorized the  
13 following powers in order to carry out these functions:

14 (a) Providing communication and coordination services  
15 among technology development and applications service  
16 providers throughout the state.

17 ~~(b) Providing coordinated marketing services to~~  
18 ~~small-sized and medium-sized manufacturers in the state on~~  
19 ~~behalf of, and in partnership with, technology applications~~  
20 ~~service providers.~~

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

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

27 ~~(e) Entering into contracts with technology~~  
28 ~~applications service providers for expanded availability of~~  
29 ~~high-quality assistance to small-sized and medium-sized~~  
30 ~~manufacturing companies or knowledge-based service firms,~~  
31 ~~including, but not limited to, technological, human resources~~

1 ~~development, market planning, finance, and interfirm~~  
2 ~~collaboration. Enterprise Florida, Inc., shall ensure that all~~  
3 ~~contracts in excess of \$20,000 for the delivery of such~~  
4 ~~assistance to Florida firms shall be based on competitive~~  
5 ~~requests for proposals and shall establish clear standards for~~  
6 ~~the delivery of services under such contracts. Such standards~~  
7 ~~include, but are not limited to:~~

8         ~~1. The ability and capacity to deliver services in~~  
9 ~~sufficient quality and quantity.~~

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

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

14         ~~(d)(f)~~ Assisting other educational institutions,  
15 enterprises, or the entities providing business assistance to  
16 small-sized and medium-sized manufacturing and knowledge-based  
17 services enterprises.

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

21         ~~(e)(h)~~ Establishing special education and  
22 informational programs for Florida enterprises and for  
23 educational institutions and enterprises providing business  
24 assistance to Florida enterprises.

25         ~~(f)(i)~~ Assisting in evaluating and documenting the  
26 needs of firms in this state for technology development and  
27 application services, and developing means to ensure that  
28 these needs are met, consistent with the powers provided for  
29 in this subsection.

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1           (g)~~(j)~~ Maintaining an office in such place or places  
2 as the board of directors of Enterprise Florida, Inc.,  
3 approves.

4           (h)~~(k)~~ Making and executing contracts with any person,  
5 enterprise, educational institution, association, or any other  
6 entity necessary or convenient for the performance of its  
7 duties and the exercise of the powers and functions of  
8 Enterprise Florida, Inc., under this subsection.

9           (i)~~(l)~~ Receiving funds from any source to carry out  
10 the purposes of providing technology development and  
11 applications services, including, but not limited to, gifts or  
12 grants from any department, agency, or instrumentality of the  
13 United States or of the state, or any enterprise or person,  
14 for any purpose consistent with the provisions of this  
15 subsection.

16           (2) ~~When choosing contractors under this section,~~  
17 ~~preference shall be given to existing institutions,~~  
18 ~~organizations, and enterprises so long as these existing~~  
19 ~~institutions, organizations, and enterprises demonstrate the~~  
20 ~~ability to perform at standards established by Enterprise~~  
21 ~~Florida, Inc., under paragraph (1)(e).~~Neither the provisions  
22 of ss. 288.9511-288.9517 nor the actions taken by Enterprise  
23 Florida, Inc., under this section shall impair or hinder the  
24 operations, performance, or resources of any existing  
25 institution, organization, or enterprise.

26           (3) Enterprise Florida, Inc., may create a technology  
27 development financing fund, to be called the Florida  
28 Technology Research Investment Fund. The fund shall increase  
29 technology development in this state by investing in  
30 technology development projects that have the potential to  
31 generate investment-grade technologies of importance to the

1 state's economy as evidenced by the willingness of private  
2 businesses to coinvest in such projects. Enterprise Florida,  
3 Inc., may also demonstrate and develop effective approaches  
4 to, and benefits of, commercially oriented research  
5 collaborations between businesses, universities, and state and  
6 federal agencies and organizations. Enterprise Florida, Inc.,  
7 shall endeavor to maintain the fund as a self-supporting fund  
8 once the fund is sufficiently capitalized under Enterprise  
9 Florida, Inc., program guidelines ~~as reflected in the minimum~~  
10 ~~funding report required in s. 288.9516.~~ The technology  
11 research investment projects may include, but are not limited  
12 to:

13 (a) Technology development projects expected to lead  
14 to a specific investment-grade technology that is of  
15 importance to industry in this state.

16 (b) Technology development centers and facilities  
17 expected to generate a stream of products and processes with  
18 commercial application of importance to industry in this  
19 state.

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

23 (4) Enterprise Florida, Inc., shall invest moneys  
24 contained in the Florida Technology Research Investment Fund  
25 in technology application research or for technology  
26 development projects that have the potential for commercial  
27 market application. ~~The partnership shall coordinate any~~  
28 ~~investment in any space-related technology projects with the~~  
29 ~~Florida Space Authority and the Technological Research and~~  
30 ~~Development Authority.~~

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1 (a) The investment of moneys contained in the Florida  
2 Technology Research Investment Fund is limited to qualified  
3 ~~investments in qualified securities~~ in which a private  
4 enterprise in this state coinvests at least 40 percent of the  
5 total project costs, in conjunction with other cash or noncash  
6 investments from state educational institutions, state and  
7 federal agencies, or other institutions.

8 (b) All moneys in the Florida Technology Research  
9 Investment Fund shall be continuously appropriated to the fund  
10 and may be used for loan guarantees, letter of credit  
11 guarantees, cash reserves for loan and letter of credit  
12 guarantees, payments of claims pursuant to contracts for  
13 guarantees, subordinated loans, loans with warrants, royalty  
14 investments, equity investments, and ~~For the purposes of this~~  
15 ~~fund, qualified securities include loans, loans convertible to~~  
16 ~~equity, equity, loans with warrants attached that are~~  
17 ~~beneficially owned by the board, royalty agreements, or any~~  
18 ~~other contractual arrangements through which the Florida~~  
19 ~~Technology Research Investment Fund receives an interest,~~  
20 ~~rights, return of funds, or other consideration, and may be~~  
21 ~~used for operations of the fund. All such uses of moneys in~~  
22 ~~the fund are qualified investments arrangement in which the~~  
23 ~~board is providing scientific and technological services to~~  
24 ~~any federal, state, county, or municipal agency, or to any~~  
25 ~~individual, corporation, enterprise, association, or any other~~  
26 ~~entity involving technology development. Any claim against the~~  
27 ~~fund or Enterprise Florida, Inc., relating to investment of~~  
28 ~~moneys in the fund shall be paid solely from the fund. Neither~~  
29 ~~the credit nor the taxing power of the state shall be pledged~~  
30 ~~to secure the fund or moneys in the fund, other than from~~  
31 ~~moneys appropriated or assigned to the fund, and the state~~

1 shall not be liable or obligated in any way for any claims  
2 against the fund or against Enterprise Florida, Inc.

3 (c) Not more than \$175,000 or 5 percent of the  
4 revenues generated by investment of moneys contained in the  
5 Florida Technology Research Investment Fund plus 5 percent of  
6 the revenues generated by investments under the Florida Small  
7 Business Technology Growth Program under s. 288.95155,  
8 whichever is greater, may be used on an annual basis to pay  
9 the combined operating expenses associated with operation of  
10 the Florida Technology Research Investment Fund and the  
11 Florida Small Business Technology Growth Program.

12 (d) In the event of liquidation or dissolution of  
13 Enterprise Florida, Inc., or the Florida Technology Research  
14 Investment Fund, any rights or interests in a qualified  
15 security or portion of a qualified security purchased with  
16 moneys invested by the State of Florida shall vest in the  
17 state, under the control of the State Board of Administration.  
18 The state is entitled to, in proportion to the amount of  
19 investment in the fund by the state, any balance of funds  
20 remaining in the Florida Technology Research Investment Fund  
21 after payment of all debts and obligations upon liquidation or  
22 dissolution of Enterprise Florida, Inc., or the fund.

23 (e) The investment of funds contained in the Florida  
24 Technology Research Investment Fund does not constitute a  
25 debt, liability, or obligation of the State of Florida or of  
26 any political subdivision thereof, or a pledge of the faith  
27 and credit of the state or of any such political subdivision.

28 (5) Enterprise Florida, Inc., may create technology  
29 commercialization programs in partnership with private  
30 enterprises, educational institutions, and other institutions  
31 to increase the rate at which technologies with potential

1 commercial application are moved from university, public, and  
2 industry laboratories into the marketplace. Such programs  
3 shall be created based upon research to be conducted by  
4 Enterprise Florida, Inc.

5 (6) Enterprise Florida, Inc., shall coordinate with  
6 local and regional economic development organizations to  
7 facilitate the formation and growth of networks of individuals  
8 or businesses who may be willing to invest in start-up  
9 technology businesses in the state in order to help these  
10 start-up businesses meet their needs for capital.

11 Section 2. Section 288.9517, Florida Statutes, is  
12 repealed.

13 Section 3. Section 14 of chapter 93-187, Laws of  
14 Florida, is repealed.

15 Section 4. This act shall take effect July 1, 2003.

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17 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
18 COMMITTEE SUBSTITUTE FOR  
19 Senate Bill 2492

20 The committee substitute clarifies that the income of the  
21 Florida Technology Research Investment Fund may be used to  
22 fund its operations. Claims against the fund or Enterprise  
23 Florida, Inc., as the result of investments of the fund are  
24 payable solely from the fund.  
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