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; clarifying a requirement for capitalization of 8 9 a technology development financing fund; revising criteria and requirements for 10 investment of moneys in the Florida Technology 11 12 Research Investment Fund; providing for payment of certain claims from the fund; specifying 13 14 nonapplication of state credit or taxing power; specifying absence of state liability for 15 certain claims; directing Enterprise Florida, 16 Inc., to facilitate the formation of an 17 18 entrepreneurship strategy; repealing s. 19 288.9517, F.S., relating to audits of the technology development board and 20 21 confidentiality of the identity of certain 22 contributors to the board; repealing s. 14, ch. 93-187, Laws of Florida, relating to the future 23 repeal and review by the Legislature of 24 statutes governing certain technology 25 26 development programs of Enterprise Florida, 27 Inc.; creating s. 1004.447, F.S.; establishing the Florida Institute for Human and Machine 28 29 Cognition, Inc., at the University of West 30 Florida as a not-for-profit corporation; providing that the corporation shall act as an 31

instrumentality of the state; authorizing the 1 2 creation of subsidiaries by the corporation; 3 providing for articles of incorporation; 4 providing powers of the corporation; 5 authorizing contracts without competitive 6 bidding; providing for a board of directors; 7 providing for an affiliation agreement; providing for an annual postaudit report; 8 9 authorizing the corporation to secure liability protection; providing for assumption of 10 responsibilities of the corporation by the 11 12 University of West Florida under certain circumstances; providing for administration of 13 14 the institute by a chief executive officer and 15 providing duties; requiring appointment of a council of scientific advisers and providing 16 17 duties; providing that the corporation and its subsidiaries are not agencies for certain 18 19 purposes; authorizing additional affiliation 20 agreements; amending s. 471.031, F.S.; 21 providing that certain persons are exempt from 22 the prohibitions of the section, relating to 23 the engineering law, under specified circumstances; revising provisions governing 24 25 the use of certain engineering titles; 26 providing for expiration of such provisions; amending s. 220.191, F.S.; redefining the term 27 28 "qualifying project" for purposes of capital 29 investment tax credits; amending s. 288.1045, 30 F.S.; revising the definition of "Department of Defense contract" under the tax refund program 31

for qualified defense contractors; extending 1 2 the period applicable to a program exemption 3 under certain conditions; amending s. 288.106, 4 F.S.; providing for special consideration to be 5 given to defense and homeland security under 6 the tax refund program for qualified target 7 industry businesses; extending the period applicable to a program exemption under certain 8 9 conditions; amending s. 288.1088, F.S.; revising requirements and providing powers of 10 the Governor with respect to using funds in the 11 12 Quick Action Closing Fund; amending s. 1004.225, F.S.; removing historical provisions; 13 14 conforming changes; providing for the designation of an additional center of 15 excellence; providing application, evaluation, 16 17 and designation procedures; extending the 18 expiration of the Florida Technology 19 Development Act; providing an appropriation; repealing proviso in chapter 2002-394, L.O.F., 20 21 relating to the requirement for approval of an expenditure plan prior to release of 22 23 appropriations for funding University Centers of Excellence; amending s. 445.048, F.S.; 24 continuing, expanding, and revising the 25 26 Passport to Economic Progress demonstration 27 project; providing appropriations; amending s. 376.86, F.S.; revising certain restrictions on 28 29 investing funds maintained in the Nonmandatory Land Reclamation Trust Fund; providing for a 30 schedule for legislative review of the 31

Brownfield Areas Loan Guarantee Program; providing effective dates.

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

Section 1. Notwithstanding section 14 of chapter 93-187, Laws of Florida, section 288.9515, Florida Statutes, shall not stand repealed on December 31, 2003, as scheduled by such law, but that section is reenacted and amended to read:

288.9515 Authorized technology development programs.--

- development and applications services, and may serve as an umbrella organization for the coordination of information that provides technology applications service providers throughout the state which provide critical, managerial, technological, scientific, and related financial and business expertise essential for international and domestic competitiveness to small-sized and medium-sized manufacturing and knowledge-based service firms. Enterprise Florida, Inc., is authorized the following powers in order to carry out these functions:
- (a) Providing communication and coordination services among technology  $\underline{\text{development and}}$  applications service providers throughout the state.
- (b) Providing coordinated marketing services to small-sized and medium-sized manufacturers in the state on behalf of, and in partnership with, technology applications service providers.
- (b)(c) Securing additional sources of funds on behalf of, and in partnership with, <u>technology-based businesses</u> applications service providers.

 $\underline{\text{(c)}}$  (d) Developing plans and policies to assist small-sized and medium-sized manufacturing companies or other knowledge-based firms in Florida.

- (e) Entering into contracts with technology applications service providers for expanded availability of high-quality assistance to small-sized and medium-sized manufacturing companies or knowledge-based service firms, including, but not limited to, technological, human resources development, market planning, finance, and interfirm collaboration. Enterprise Florida, Inc., shall ensure that all contracts in excess of \$20,000 for the delivery of such assistance to Florida firms shall be based on competitive requests for proposals and shall establish clear standards for the delivery of services under such contracts. Such standards include, but are not limited to:
- 1. The ability and capacity to deliver services in sufficient quality and quantity.
- 2. The ability and capacity to deliver services in a timely manner.
- 3. The ability and capacity to meet the needs of firms in the proposed market area.
- (d)(f) Assisting other educational institutions, enterprises, or the entities providing business assistance to small-sized and medium-sized manufacturing and knowledge-based services enterprises.
- (g) Establishing a system to evaluate the effectiveness and efficiency of technology applications services provided to small-sized and medium-sized enterprises.
- $\underline{\text{(e)}}\text{(h)}$  Establishing special education and informational programs for Florida enterprises and for

educational institutions and enterprises providing business assistance to Florida enterprises.

 $\underline{(f)(i)}$  Assisting in evaluating and documenting the needs of firms in this state for technology <u>development and</u> application services, and developing means to ensure that these needs are met, consistent with the powers provided for in this subsection.

 $\frac{(g)}{(j)}$  Maintaining an office in such place or places as the board of directors of Enterprise Florida, Inc., approves.

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

(i)(1) Receiving funds from any source to carry out the purposes of providing technology development and applications services, including, but not limited to, gifts or grants from any department, agency, or instrumentality of the United States or of the state, or any enterprise or person, for any purpose consistent with the provisions of this subsection.

(2) When choosing contractors under this section, preference shall be given to existing institutions, organizations, and enterprises so long as these existing institutions, organizations, and enterprises demonstrate the ability to perform at standards established by Enterprise Florida, Inc., under paragraph (1)(e).Neither the provisions of ss. 288.9511-288.9517 nor the actions taken by Enterprise Florida, Inc., under this section shall impair or hinder the

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operations, performance, or resources of any existing institution, organization, or enterprise.

- (3) Enterprise Florida, Inc., may create a technology development financing fund, to be called the Florida Technology Research Investment Fund. The fund shall increase technology development in this state by investing in technology development projects that have the potential to generate investment-grade technologies of importance to the state's economy as evidenced by the willingness of private businesses to coinvest in such projects. Enterprise Florida, Inc., may also demonstrate and develop effective approaches to, and benefits of, commercially oriented research collaborations between businesses, universities, and state and federal agencies and organizations. Enterprise Florida, Inc., shall endeavor to maintain the fund as a self-supporting fund once the fund is sufficiently capitalized under Enterprise Florida, Inc., program guidelines as reflected in the minimum funding report required in s. 288.9516. The technology research investment projects may include, but are not limited to:
- (a) Technology development projects expected to lead to a specific investment-grade technology that is of importance to industry in this state.
- (b) Technology development centers and facilities expected to generate a stream of products and processes with commercial application of importance to industry in this state.
- (c) Technology development projects that have, or are currently using, other federal or state funds such as federal Small Business Innovation Research awards.

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

- (a) The investment of moneys contained in the Florida Technology Research Investment Fund is limited to <u>qualified</u> investments in <u>qualified</u> securities in which a private enterprise in this state coinvests at least 40 percent of the total project costs, in conjunction with other cash or noncash investments from state educational institutions, state and federal agencies, or other institutions.
- (b) All moneys in the Florida Technology Research Investment Fund shall be continuously appropriated to the fund and may be used for loan guarantees, letter of credit guarantees, cash reserves for loan and letter of credit guarantees, payments of claims pursuant to contracts for guarantees, subordinated loans, loans with warrants, royalty investments, equity investments, and For the purposes of this fund, qualified securities include loans, loans convertible to equity, equity, loans with warrants attached that are beneficially owned by the board, royalty agreements, or any other contractual arrangements through which the Florida Technology Research Investment Fund receives an interest, rights, return of funds, or other consideration, and may be used for operations of the fund. All such uses of moneys in the fund are qualified investments arrangement in which the board is providing scientific and technological services to

any federal, state, county, or municipal agency, or to any individual, corporation, enterprise, association, or any other entity involving technology development. Any claim against the fund or Enterprise Florida, Inc., relating to investment of moneys in the fund shall be paid solely from the fund. Neither the credit nor the taxing power of the state shall be pledged to secure the fund or moneys in the fund, other than from moneys appropriated or assigned to the fund, and the state shall not be liable or obligated in any way for any claims against the fund or against Enterprise Florida, Inc.

- (c) Not more than \$175,000 or 5 percent of the revenues generated by investment of moneys contained in the Florida Technology Research Investment Fund plus 5 percent of the revenues generated by investments under the Florida Small Business Technology Growth Program under s. 288.95155, whichever is greater, may be used on an annual basis to pay the combined operating expenses associated with operation of the Florida Technology Research Investment Fund and the Florida Small Business Technology Growth Program.
- (d) In the event of liquidation or dissolution of Enterprise Florida, Inc., or the Florida Technology Research Investment Fund, any rights or interests in a qualified security or portion of a qualified security purchased with moneys invested by the State of Florida shall vest in the state, under the control of the State Board of Administration. The state is entitled to, in proportion to the amount of investment in the fund by the state, any balance of funds remaining in the Florida Technology Research Investment Fund after payment of all debts and obligations upon liquidation or dissolution of Enterprise Florida, Inc., or the fund.

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

- (5) Enterprise Florida, Inc., may create technology commercialization programs in partnership with private enterprises, educational institutions, and other institutions to increase the rate at which technologies with potential commercial application are moved from university, public, and industry laboratories into the marketplace. Such programs shall be created based upon research to be conducted by Enterprise Florida, Inc.
- (6) Enterprise Florida, Inc., shall coordinate with local and regional economic development organizations to facilitate a statewide entrepreneurship strategy to stimulate the growth of start-up businesses and technology innovations in this state. This strategy should include, but need not be limited to, technology transfer coordination, university linkages, entrepreneurial networks and training, and start-up capital access, including the formation and growth of individual and business networks that may be willing to invest in start-up businesses in this state.
- Section 2. <u>Section 288.9517</u>, Florida Statutes, is <u>repealed</u>.
- Section 3. <u>Section 14 of chapter 93-187, Laws of Florida, is repealed.</u>
- Section 4. Section 1004.447, Florida Statutes, is created to read:
- 1004.447 Florida Institute for Human and Machine Cognition, Inc.--

(1)(a) There is created a not-for-profit corporation, to be known as the "Florida Institute for Human and Machine Cognition, Inc., which shall be registered, incorporated, organized, and operated in compliance with chapter 617. The Florida Institute for Human and Machine Cognition, Inc., is established at the University of West Florida.

- (b) The corporation is authorized to create not-for-profit corporate subsidiaries that are organized under the provisions of chapter 617 upon the prior approval of the Board of Governors, as necessary, to fulfill its mission.
- (2) The corporation and any authorized and approved subsidiary:
- (a) Shall be a corporation primarily acting as an instrumentality of the state, pursuant to s. 768.28(2), for purposes of sovereign immunity.
- (c) Is subject to the open records and meeting requirements of s. 24, Art. I of the State Constitution, chapter 119, and s. 286.011.
- (d) May receive, hold, invest, and administer property and any moneys acquired from private, local, state, and federal sources, as well as technical and professional income generated or derived from practice activities of the institute, for the benefit of the institute and the fulfillment of its mission.
- (e) May perform all things necessary to secure letters of patent, copyrights, and trademarks on any work products and to enforce its rights therein. The corporation must consider contributions by a state university and university personnel in the development of trademarks, copyrights, and patents and

shall enter into written contracts establishing the interests of the university and such personnel in each trademark, copyright, or patent.

- (f) May secure comprehensive general liability protection, including professional liability protection, for the not-for-profit corporation and its subsidiaries.
- (g) May enter into affiliation agreements with other universities or research institutes.
  - (h) Is not subject to the provisions of chapter 287.
- (3) The officers, directors, and employees of the corporation or any authorized and approved subsidiary shall be governed by the code of ethics for public officers and employees as set forth in part III of chapter 112.
- (4) The articles of incorporation of the corporation or any authorized and approved subsidiary must be approved in a written agreement by the Board of Governors. The agreement and the articles of incorporation shall:
- (a) Provide that the corporation and any authorized and approved subsidiary shall provide equal employment opportunities for all persons regardless of race, color, religion, gender, national origin, age, handicap, or marital status.
- (b) Provide that the corporation and any authorized and approved subsidiary are subject to the public records and meeting requirements of s. 24, Art. I of the State Constitution.
- (c) Provide that all officers, directors, and employees of the corporation and any authorized and approved subsidiary shall be governed by the code of ethics for public officers and employees as set forth in part III of chapter 112.

(d) Provide that members of the board of directors of the corporation are responsible for the prudent use of all public and private funds and that they will ensure that the use of funds is in accordance with all applicable laws, bylaws, and contractual requirements.

- (e) Provide that the fiscal year of the corporation and any authorized and approved subsidiary is from July 1 to June 30.
- (5) The affairs of the corporation shall be managed by a board of directors who shall serve without compensation.

  Each director shall have only one vote.
  - (a) The board of directors shall consist of:
- $\underline{\text{1. The chair of the Board of Governors or the chair s}}$  designee.
- 2. The chair of the Board of Trustees of the University of West Florida or the chair s designee.
- 3. The President of the University of West Florida or the president s designee.
  - 4. Three state university representatives.
- 5. Nine public representatives who are neither state university employees nor state employees.
- Speaker of the House of Representatives shall each make one initial appointment of a state university representative to the board of directors. Each director who is a representative of a state university shall be appointed for an initial term of 3 years. The Governor shall make three initial appointments of public representatives to the board of directors. The President of the Senate and the Speaker of the House of Representatives shall each make two initial appointments of public representatives to the board of directors. The chair of

the Board of Trustees of the University of West Florida shall make two initial appointments of public representatives to the board of directors. Each director who is a representative of the public shall be appointed to serve an initial term of 2 years.

- (c) Upon the completion of the initial terms, a director appointed under paragraph (b) shall be appointed by a majority vote of the directors to an additional 3-year term.
- (d) Any vacancy in office of a director appointed under paragraph (b) shall be filled for the remainder of the term by majority vote of the directors.
- (e) Any director may be reappointed by a majority vote of the board of directors.
- (f) The chair of the board of directors shall be selected by a majority vote of the directors, a quorum being present.
- (6) No later than 30 days following approval of the corporation s articles of incorporation by the Board of Governors, the corporation shall enter into an affiliation agreement with the Board of Trustees of the University of West Florida for:
- (a) The use or mutual provision of or participation in university programs or services, including use of The university's moneys, facilities, furnishings, equipment, other chattels, personnel, or services.
- (b) The use of facilities and personnel for mutually approved teaching and research programs conducted by universities or research institutes.
- (c) The preparation of an annual postaudit of the corporation's financial accounts and the financial accounts of any authorized and approved subsidiary to be conducted by an

independent certified public accountant. The annual audit report shall include management letters and be submitted to the Auditor General and the Board of Governors for review.

(d) Use of the facilities of the University of West Florida, including all furnishings, equipment, and other chattels used in the operation of those facilities.

If the agreement between the corporation and the Board of Trustees of the University of West Florida is terminated, all property, including buildings, land, furnishings, equipment, and other chattels originally leased to the corporation, as well as any subsequently constructed or otherwise acquired facilities in connection with the operation of the institute, automatically reverts to full ownership by the University of West Florida. Such a reversionary interest of the state in all after-acquired facilities of the corporation is in furtherance of the goals of this section, and such a present ownership interest by the university is a continuing and insurable public interest.

- (7) The corporation shall employ a chief executive officer to administer the affairs of the Florida Institute for Human and Machine Cognition, Inc. The chief executive officer shall be appointed by and serve at the pleasure of the board of directors. The chief executive officer shall exercise the following powers and duties, subject to the approval of the board of directors:
- (a) Establish programs that fulfill the mission of the institute, as one of the nation's premier information-technology-related research organizations, in research, education, scientific advancement, and economic development. However, the chief executive officer may not

establish academic programs for which academic credit is awarded, or programs that culminate in the conferring of a degree, without prior approval of the University of West Florida.

- (b) Control the budget and the moneys appropriated or donated to the institute from private, local, state, and federal sources, as well as technical and professional income generated or derived from research activities of the institute. However, income generated by university faculty from research activities at the institute shall be shared between the institute and the university, as determined by the chief executive officer and the appropriate university president or the president's designee.
- (c) Appoint representatives of the institute to carry out the research and educational activities of the institute and establish the compensation, benefits, and terms of service of such representatives. Representatives may hold concurrent appointments at affiliated academic institutions. University faculty may hold concurrent appointments at the institute.
- $\underline{\mbox{(d)}}$  Control the use and assignment of space and equipment within the facilities.
- (e) Create the administrative structure necessary to carry out the mission of the institute.
- (f) Annually report in writing to the Commissioner of Education on the activities of the institute and state budget allocation expenditures.
- (g) Provide a copy of the institute's annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chair of the Board of Governors, and the University of West Florida.

(h) Appoint a council of scientific advisers to the chief executive officer comprised of leading researchers and scientists who shall review programs and recommend research priorities and initiatives to maximize the state's investment in the institute.
1. The board of directors shall ratify the

- 1. The board of directors shall ratify the appointments of scientific advisers to the council.
- 2. Each member of the council shall be appointed to serve a 2-year term and may be reappointed.
- (8) The Board of Governors, the Board of Trustees of the University of West Florida, the Auditor General, and the Office of Program Policy Analysis and Government

  Accountability may require and receive from the corporation and any subsidiary, or from their independent auditor, any detail or supplemental data relative to the operation of the corporation or subsidiary.
- (9) The Board of Trustees of the University of West
  Florida shall annually certify to the Governor, the President
  of the Senate, the Speaker of the House of Representatives,
  and the Board of Governors that the corporation and its
  authorized subsidiaries are complying with the requirements of
  this section and are acting in the best interests of the
  state.

Section 5. The corporation created pursuant to section 1004.447(1), Florida Statutes, may enter into affiliation agreements similar to the agreement described in section 1004.447(6), Florida Statutes, with the boards of trustees of other public or private universities.

Section 6. Subsections (3) and (4) are added to section 471.031, Florida Statutes, to read:

471.031 Prohibitions; penalties.--

(3) The prohibitions of this section shall not apply to any employee or contractor of a sole proprietorship, firm, limited liability company, partnership, joint stock association, corporation, or other business entity that:

(a) Provides products, services, or a project, as

- (a) Provides products, services, or a project, as defined in s. 288.1045(1)(i), to an agency or department of the United States, any agency or department of a state government, or the government of a foreign country which involves the design, development, production, sale, or provision of defense or aerospace products or services;
- (b) Consists of or supports commercial aircraft and the entity holds a certificate issued by the Federal Aviation Administration under Chapter 21, Title 14, Code of Federal Regulations;
- (c) Consists of space vehicles or space services that are subject to licensing or regulation by an agency or department of the United States under Title 14, 47 or 48 of the Code of Federal Regulations, or for sale or use outside the United States; or
- (d) Allows the use of the term "engineer" or "engineering" in a job title or personnel classification of an employee or contractor to the extent that the use of the title or classification is related to activities described in this subsection.

26 This subsection expires July 1, 2004, unless reenacted by the Legislature before that date.

(4) Notwithstanding any other provision of this chapter, a person who is not required to be licensed under s. 471.003(2) and who is employed by an entity not offering engineering services to the public may use the title

"engineer" or any title listed in paragraph (1)(b), except for
the terms "professional engineer," "licensed engineer," or
"registered engineer," if such use does not indicate that the
person is licensed and authorized to practice engineering
beyond the scope of the exemptions set forth in s. 471.003(2).
This subsection expires July 1, 2004, unless reenacted by the
Legislature before that date.

Section 7. Effective upon this act becoming a law, paragraph (h) of subsection (1) of section 220.191, Florida Statutes, is amended to read:

220.191 Capital investment tax credit.--

- (1) DEFINITIONS.--For purposes of this section:
- (h) "Qualifying project" means:
- 1. A new or expanding facility in this state which creates at least 100 new jobs in this state and is in one of the high-impact sectors identified by Enterprise Florida, Inc., and certified by the office pursuant to s. 288.108(6), including, but not limited to, aviation, aerospace, automotive, and silicon technology industries; or.
- 2. A new financial services facility in this state which creates at least 2,000 new jobs in this state, pays an average annual wage of at least \$50,000, and makes a capital investment of at least \$30 million. This subparagraph expires June 30, 2004.

Section 8. Paragraph (e) of subsection (1) and paragraph (b) of subsection (4) of section 288.1045, Florida Statutes, are amended to read:

288.1045 Qualified defense contractor tax refund program.--

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

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"Department of Defense contract" means a 1 2 competitively bid Department of Defense contract or 3 subcontract or a competitively bid federal agency contract or 4 subcontract issued on behalf of the Department of Defense for 5 manufacturing, assembling, fabricating, research, development, 6 or design with a duration of 2 or more years, but excluding 7 any contract or subcontract to provide goods, improvements to 8 real or tangible property, or services directly to or for any 9 particular military base or installation in this state. The term includes contracts or subcontracts for products or 10 services for military or homeland security use which contracts 11 12 or subcontracts are approved by the United States Department of Defense, the United States Department of State, or the 13 14 United States Department of Homeland Security Coast Guard. 15

- (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND AGREEMENT.--
- (b) Compliance with the terms and conditions of the agreement is a condition precedent for receipt of tax refunds each year. The failure to comply with the terms and conditions of the agreement shall result in the loss of eligibility for receipt of all tax refunds previously authorized pursuant to this section, and the revocation of the certification as a qualified applicant by the director, unless the qualified applicant is eligible to receive and elects to accept a prorated refund under paragraph (5)(g) or the office grants the qualified applicant an economic-stimulus exemption.
- 1. A qualified applicant may submit, in writing, a request to the office for an economic-stimulus exemption. The request must provide quantitative evidence demonstrating how negative economic conditions in the qualified applicant's industry, or specific acts of terrorism affecting the

qualified applicant, have prevented the qualified applicant from complying with the terms and conditions of its tax refund agreement.

- 2. Upon receipt of a request under subparagraph 1., the director shall have 45 days to notify the requesting qualified applicant, in writing, if its exemption has been granted or denied. In determining if an exemption should be granted, the director shall consider the extent to which negative economic conditions in the requesting qualified applicant's industry, or specific acts of terrorism affecting the qualified applicant, have prevented the qualified applicant from complying with the terms and conditions of its tax refund agreement.
- 3. As a condition for receiving a prorated refund under paragraph (5)(g) or an economic-stimulus exemption under this paragraph, a qualified applicant must agree to renegotiate its tax refund agreement with the office to, at a minimum, ensure that the terms of the agreement comply with current law and office procedures governing application for and award of tax refunds. Upon approving the award of a prorated refund or granting an economic-stimulus exemption, the office shall renegotiate the tax refund agreement with the qualified applicant as required by this subparagraph. When amending the agreement of a qualified applicant receiving an economic-stimulus exemption, the office may extend the duration of the agreement for a period not to exceed 1 year.
- 4. A qualified applicant may submit a request for an economic-stimulus exemption to the office in lieu of any tax refund claim scheduled to be submitted after January 1, 2001, but before June 30, 2004 July 1, 2003. However, a qualified

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

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

Section 9. Paragraph (o) of subsection (1) and paragraph (b) of subsection (4) of section 288.106, Florida Statutes, are amended to read:

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

- (1) DEFINITIONS. -- As used in this section:
- (o) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the office in consultation with Enterprise Florida, Inc.:
- 1. Future growth.--Industry forecasts should indicate strong expectation for future growth in both employment and output, according to the most recent available data. Special consideration should be given to Florida's growing access to international markets or to replacing imports.
- 2. Stability.--The industry should not be subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry should also be relatively resistant to recession, so that the demand for products of this industry is not necessarily subject to decline during an economic downturn.
- 3. High wage.--The industry should pay relatively high wages compared to statewide or area averages.

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

- 5. Industrial base diversification and strengthening.—The industry should contribute toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration should be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration also should be given to developing strong industrial clusters, including defense and homeland security.
- 6. Economic benefits.--The industry should have strong positive impacts on or benefits to the state and regional economies.

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

(4) TAX REFUND AGREEMENT. --

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

- 1. A qualified target industry business may submit, in writing, a request to the office for an economic-stimulus exemption. The request must provide quantitative evidence demonstrating how negative economic conditions in the business's industry, or specific acts of terrorism affecting the qualified target industry business, have prevented the business from complying with the terms and conditions of its tax refund agreement.
- 2. Upon receipt of a request under subparagraph 1., the director shall have 45 days to notify the requesting business, in writing, if its exemption has been granted or denied. In determining if an exemption should be granted, the director shall consider the extent to which negative economic conditions in the requesting business's industry, or specific acts of terrorism affecting the qualified target industry business, have prevented the business from complying with the terms and conditions of its tax refund agreement.
- 3. As a condition for receiving a prorated refund under paragraph (5)(d) or an economic-stimulus exemption under this paragraph, a qualified target industry business must

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

- 4. A qualified target industry business may submit a request for an economic-stimulus exemption to the office in lieu of any tax refund claim scheduled to be submitted after January 1, 2001, but before June 30, 2004 July 1, 2003. However, a qualified target industry business that has received at least one economic-stimulus exemption may not apply for an additional exemption.
- 5. A qualified target industry business that receives an economic-stimulus exemption may not receive a tax refund for the period covered by the exemption.

Section 10. Effective upon this act becoming a law, subsection (4) is added to section 288.1088, Florida Statutes, to read:

288.1088 Quick Action Closing Fund. --

(4) The Governor may, in an emergency or special circumstance and with the approval of the President of the Senate and the Speaker of the House of Representatives, reallocate unencumbered funds appropriated to the Quick Action Closing Fund to supplement statutorily created economic development programs and operations. The Executive Office of the Governor shall recommend approval of the transfer and

release of funds pursuant to the legislative consultation and review requirements set forth in s. 216.177.

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

1004.225 Florida Technology Development Act.--

- (1) This section may be cited as the "Florida Technology Development Act."
- (2) "Center of excellence," as used in this section, means an organization of personnel, facilities, and equipment established at or in collaboration with one or more universities in Florida to accomplish the purposes and objectives of this section. The purposes and objectives of a center of excellence include:
- (a) Identifying and pursuing opportunities for university scholars, research center scientists and engineers, and private businesses to form collaborative partnerships to foster and promote the research required to develop commercially promising, advanced, and innovative technologies and to transfer those technologies to commercial sectors.
- (b) Acquiring and leveraging public and private sector funding to provide the totality of funds, personnel, facilities, equipment, and other resources needed to support the research required to develop commercially promising, advanced, and innovative technologies and to transfer those technologies to commercial sectors.
- (c) Recruiting and retaining world class scholars, high-performing students, and leading scientists and engineers in technology disciplines to engage in research in this state to develop commercially promising, advanced, and innovative technologies.

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

- (e) Increasing the number of high-performing students in technology disciplines who graduate from universities in this state and pursue careers in this state.
- (f) Stimulating and supporting the inception, growth, and diversification of technology-based businesses and ventures in Florida and increasing employment opportunities for the workforce needed to support such businesses.
- (3) Subject to legislative appropriation, The Emerging Technology Commission, or "commission," is created within the Executive Office of the Governor to guide the establishment of centers of excellence.
- (a) The commission shall consist of five regular members appointed by the Governor, one of whom the Governor shall appoint as chair of the commission; two regular members appointed by the President of the Senate; two regular members appointed by the Speaker of the House of Representatives; before January 7, 2003, the Secretary of Education as an ex officio nonvoting member; effective January 7, 2003, the Commissioner of Education as an ex officio nonvoting member; and, as ex officio nonvoting members, the member of the Senate and the member of the House of Representatives who serve as members of the Florida Research Consortium, Inc. The regular members shall be business leaders, industrial researchers, academic researchers, scientists, or engineers who have been recognized as leaders in the state's emerging and advanced technology sectors. Regular members must be appointed on or before July 1, 2002.

- (b) Members of the commission shall serve without compensation but shall be entitled to receive per diem and travel expenses in accordance with s. 112.061 while in performance of their duties.
- (c) The Executive Office of the Governor shall provide staff support for the activities of the commission and per diem and travel expenses for commission members.
- (4) By August 1, 2002, Florida Research Consortium, Inc., shall provide a report to the commission which describes in detail and prioritizes factors that contribute to the success of the creation of centers of excellence. At a minimum, the report should describe and prioritize the following factors:
- (a) Maturity of existing university programs relating to a proposed center of excellence.
- (b) Existing amount of university resources dedicated to activities relating to a proposed center of excellence.
- (c) Comprehensiveness and effectiveness of site plans relating to a proposed center of excellence.
  - (d) Regional economic structure and climate.
- (e) The degree to which a university proposed to house a center of excellence identifies and seizes opportunities to collaborate with other public or private entities for research purposes.
- (f) The presence of a comprehensive performance and accountability measurement system.
- (g) The use of an integrated research and development strategy utilizing multiple levels of the educational system.
- (h) The ability of a university proposed to house a center of excellence to raise research funds and leverage

public and private investment dollars to support advanced and emerging technological research and development projects.

- (i) The degree to which a university proposed to house a center of excellence transfers advanced and emerging technologies from its laboratories to the commercial sector.
- (j) The degree to which a university proposed to house a center of excellence stimulates and supports new venture creation.
- (k) The existence of a plan to enhance academic curricula by improving communication between academia and industry.
- (1) The existence of a plan to increase the number, quality, and retention rate of faculty, graduate students, and eminent scholars in advanced and emerging technology-based disciplines.
- (m) The existence of a plan to increase the likelihood of faculty, graduate students, and eminent scholars pursuing private sector careers in the state.
- (n) Ability to provide capital facilities necessary to support research and development.
- (5) By September 15, 2002, the commission shall develop and approve criteria for evaluating proposals submitted under this section subsection (6). When developing such criteria, the commission shall consider the report provided by Florida Research Consortium, Inc., under subsection (4) and hold at least two public hearings, at times and locations designated by the chair of the commission, for the purpose of soliciting expert testimony. By October 1, 2002, the commission shall provide a list of such criteria to each university in the State University System and to the

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

- (6) Concurrent with the provision of the list of criteria to the universities, the commission shall notify each university, in writing, of the opportunity to submit to the commission written proposals for establishing one or more centers of excellence. Proposals must specifically address the evaluation criteria developed by the commission and delineate how funding would be used to develop one or more centers of excellence. Proposals must be submitted to the commission by December 1, 2002. Notwithstanding this deadline, the commission, upon an affirmative vote of a majority of its members, may accept a proposal submitted after the deadline.
- (7) By February 1, 2003, the commission shall submit to the State Board of Education a minimum of two, but no more than five, recommended plans for the establishment of one or more centers of excellence in the state. Recommended plans must specifically address the evaluation criteria developed by the commission and delineate how funding would be used to develop one or more centers of excellence. When developing such recommended plans, the commission shall consider the university proposals submitted under subsection (6) and hold at least three public hearings, at times and locations designated by the chair of the commission, for the purpose of soliciting expert testimony including, but not limited to, viewing presentations of university proposals.
- (8) By March 15, 2003, the State Board of Education shall develop and approve a final plan for the establishment of one or more centers of excellence in the state and authorize expenditures for implementation of the plan. The final plan must allocate at least \$10 million to each center

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

- (9) Beginning June 30, 2003, the commission shall report quarterly, in writing, to the Commissioner of Education on the progress of the implementation of the final plan approved under subsection (8) and the success of the centers of excellence established under that plan.
- (10)(a) Notwithstanding any provision in this section to the contrary, and subject to appropriation by the Legislature in the General Appropriations Act for fiscal year 2003-2004, the commission shall, by August 1, 2003, reissue the list of criteria developed and approved under subsection (5) to each university in the state and to the State Technology Office for publishing on the Internet within 24 hours after the office's receipt of the list.
- (b) Concurrent with the provision of the list of criteria under paragraph (a), the commission shall notify each university, in writing, of the opportunity to submit to the commission written proposals for establishing one center of excellence under this subsection, which center shall be in addition to any centers of excellence established under other provisions of this section. Proposals must specifically

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

- (c) By December 1, 2003, the commission shall submit to the State Board of Education a recommended plan for the establishment of one center of excellence under this subsection. The recommended plan must specifically address the evaluation criteria developed by the commission and delineate how funding would be used to develop the center of excellence. When developing the recommended plan, the commission shall consider the proposals submitted under this subsection and hold at least two public hearings, at times and locations designated by the chair of the commission, for the purpose of soliciting expert testimony, including, but not limited to, viewing presentations of university proposals.
- (d) By February 1, 2004, the State Board of Education shall develop and approve a final plan for the establishment of one center of excellence in the state under this subsection and authorize expenditures for implementation of the plan. The board shall consider the commission's recommended plan under paragraph (c) and hold at least one public hearing for the purpose of soliciting expert testimony. The final plan must include performance and accountability measures that can be used to assess the progress of plan implementation and the success of the center of excellence established under the final plan. By February 15, 2004, the board shall provide a copy of the final plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- (e) Beginning June 30, 2004, the commission shall report quarterly, in writing, to the Commissioner of Education

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

(11) This section expires July 1, 2005  $\frac{2004}{1}$ .

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

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

Section 14. Section 445.048, Florida Statutes, is amended to read:

445.048 Passport to Economic Progress demonstration program.--

- (1) AUTHORIZATION.--Notwithstanding any law to the contrary, Workforce Florida, Inc., in conjunction with the Department of Children and Family Services and the Agency for Workforce Innovation, shall implement a Passport to Economic Progress demonstration program by November 1, 2001, consistent with the provisions of this section in Hillsborough, and Manatee, and Sarasota counties. Workforce Florida, Inc., must consult with the applicable regional workforce boards and the applicable local offices of the department which serve the demonstration areas and must encourage community input into the implementation process.
- (2) WAIVERS.--If Workforce Florida, Inc., in consultation with the Department of Children and Family Services, finds that federal waivers would facilitate

implementation of the demonstration program, the department shall immediately request such waivers, and Workforce Florida, Inc., shall report to the Governor, the President of the Senate, and the Speaker of the House of Representatives if any refusal of the federal government to grant such waivers prevents the implementation of the demonstration program. If Workforce Florida, Inc., finds that federal waivers to provisions of the Food Stamp Program would facilitate implementation of the demonstration program, the Department of Children and Family Services shall immediately request such waivers in accordance with s. 414.175.

- (3) INCOME DISREGARD.—In order to provide an additional incentive for employment, and notwithstanding the amount specified in s. 414.095(12), for individuals residing in the areas designated for this demonstration program, the first \$300 plus one-half of the remainder of earned income shall be disregarded in determining eligibility for temporary cash assistance. All other conditions and requirements of s. 414.095(12) shall continue to apply to such individuals.
- (3)(4) TRANSITIONAL BENEFITS AND SERVICES.--In order to assist them in making the transition to economic self-sufficiency, former recipients of temporary cash assistance residing within the areas designated for this demonstration program shall be eligible for the following benefits and services:
- (a) Notwithstanding the time period specified in s. 445.030, transitional education and training support services as specified in s. 445.030 for up to 4 years after the family is no longer receiving temporary cash assistance;
- (b) Notwithstanding the time period specified in s. 445.031, transitional transportation support services as

specified in s. 445.031 for up to 4 years after the family is no longer receiving temporary cash assistance; and

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

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

- (4) INCENTIVES TO ECONOMIC SELF-SUFFICIENCY.--
- (a) The Legislature finds that:
- 1. There are former recipients of temporary cash assistance who are working full time but whose incomes are below the poverty level.
- 2. Having incomes below the federal poverty level makes such individuals particularly vulnerable to reliance on public assistance despite their best efforts to achieve or maintain economic independence through employment.
- 3. It is necessary to implement a performance-based program that defines economic incentives for achieving specific benchmarks toward self-sufficiency while the individual is working full time.
- (b) Workforce Florida, Inc., in cooperation with the Department of Children and Family Services and the Agency for Workforce Innovation, shall offer performance-based incentive

bonuses as a component of the Passport to Economic Progress
demonstration program in the areas of the state which are
designated for the demonstration program. The bonuses do not
represent a program entitlement and shall be contingent on
achieving specific benchmarks prescribed in the
self-sufficiency plan. If the funds appropriated for this
purpose are insufficient to provide this financial incentive,
the board of directors of Workforce Florida, Inc., shall
reduce or suspend the bonuses in order not to exceed the
appropriation.

- (5) WAGE SUPPLEMENTATION. --
- (a) The Legislature finds that:
- 1. There are former recipients of temporary cash assistance who are working full time but whose incomes are below the federal poverty level.
- 2. Having incomes below the federal poverty level makes such individuals particularly vulnerable to reliance on public assistance despite their best efforts to achieve or maintain economic independence through employment.
- 3. It is necessary to supplement the wages of such individuals for a limited period of time in order to assist them in fulfilling the transition to economic self-sufficiency.
- (b) Workforce Florida, Inc., in cooperation with the Department of Children and Family Services and the Agency for Workforce Innovation, shall create a transitional wage supplementation program by November 1, 2001, as a component of the Passport to Economic Progress demonstration program in the areas designated for the demonstration program. This wage supplementation program does not constitute an entitlement to wage supplementation. If funds appropriated are insufficient

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30 31 to provide wage supplementation, the board of directors of Workforce Florida, Inc., may limit wage supplementation or otherwise establish priorities for wage supplementation.

- (c) To be eligible for an incentive bonus wage supplementation under this subsection, an individual must:
- 1. Be a former recipient of temporary cash assistance who last received such assistance on or after January 1, 2000;
- Be employed full time, which for the purposes of this subsection means employment averaging at least 32 hours per week until the United States Congress enacts legislation reauthorizing the Temporary Assistance for Needy Families block grant, and, after the reauthorization, means employment complying with the employment requirements of the reauthorized law; and
- Have an average family income for the 6 months preceding the date of application for an incentive bonus wage supplementation which is less than 100 percent of the federal poverty level.
- (d) Workforce Florida, Inc., shall determine the schedule for the payment of wage supplementation under this subsection. An individual eligible for wage supplementation under this subsection may receive a payment that equals the amount necessary to bring the individual's total family income for the period covered by the payment to 100 percent of the federal poverty level. An individual may not receive wage supplementation payments for more than a total of 12 months.
- (e) The wage supplementation program authorized by this subsection shall be administered through the regional workforce boards and the one-stop delivery system, under policy guidelines, criteria, and applications developed by Workforce Florida, Inc., in cooperation with the Department of

 Children and Family Services and the Agency for Workforce

Innovation. To the maximum extent possible, the regional

workforce boards shall use electronic debit card technologies

to provide wage supplementation payments under this program.

(5)(6) EVALUATIONS AND RECOMMENDATIONS.--Workforce

Florida, Inc., in conjunction with the Department of Children and Family Services, the Agency for Workforce Innovation, and the regional workforce boards in the areas designated for this demonstration program, shall conduct a comprehensive evaluation of the effectiveness of the demonstration program operated under this section. By January 1, 2005 2003, Workforce Florida, Inc., shall submit a report on such evaluation to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include recommendations as to whether the demonstration program should be expanded to other service areas or statewide and whether the program should be revised to enhance its administration or effectiveness.

 $\underline{(6)(7)}$  CONFLICTS.--If there is a conflict between the implementation procedures described in this section and federal requirements and regulations, federal requirements and regulations shall control.

Section 15. The sum of \$2,859,200 is appropriated from the Welfare Transition Trust Fund to the Agency for Workforce Innovation for implementing the Passport to Economic Progress demonstration program during the 2003-2004 fiscal year.

Section 16. Subsections (3) and (8) of section 376.86, Florida Statutes, are amended to read:

376.86 Brownfield Areas Loan Guarantee Program. --

(3) The council may enter into an investment agreement with the Department of Environmental Protection and the State

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Board of Administration concerning the investment of the earnings accrued and collected upon the investment of the balance of funds maintained in the Nonmandatory Land Reclamation Trust Fund. The investment must be limited as follows:

- (a) Not more than \$1.5\$5 million of the investment earnings earned on the investment of the minimum balance of the Nonmandatory Land Reclamation Trust Fund in a fiscal year may be at risk at any time on loan guarantees or as loan loss reserves. Of that amount, 15 percent shall be reserved for investment agreements involving predominantly minority-owned businesses which meet the requirements of subsection (4).
- (b) <u>Such funds at risk at any time</u> The investment earnings may not be used to guarantee any loan guaranty or loan loss reserve agreement for a period longer than 5 years.
- (8) The council shall provide an annual report to the Legislature by February 1 of each year describing its activities and agreements approved relating to redevelopment of brownfield areas. The provisions of this section pledging portions of the Nonmandatory Land Reclamation Trust Fund as a contingency on loan guarantees made pursuant to this section shall be reviewed by the Legislature by January 1, 2006, to determine the ability of that trust fund to continue serving as a contingency fund on loan guarantees. New loan guarantees may not be approved in 2006 until the review by the Legislature has been completed and a determination made as to an appropriate trust fund to serve as a contingency fund on loan guarantees. This section shall be reviewed by the Legislature by January 1, 2006 October 1, 2003, and a determination made related to the need to continue or modify this section. New loan guarantees may not be approved in 2006

2003 until the review by the Legislature has been completed and a determination has been made as to the feasibility of continuing the use of the Nonmandatory Land Reclamation Trust Fund to guarantee portions of loans under this section. Section 17. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2003. 

CODING: Words stricken are deletions; words underlined are additions.