

1 Section 2. Subsection (1) of section 288.106, Florida
2 Statutes, is amended to read:

3 288.106 Tax refund program for qualified target
4 industry businesses.--

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

6 (a) "Account" means the Economic Development
7 Incentives Account within the Economic Development Trust Fund
8 established under s. 288.095.

9 (b) "Average private sector wage in the area" means
10 the statewide private sector average wage or the average of
11 all private sector wages and salaries in the county or in the
12 standard metropolitan area in which the business is located.

13 (c) "Aerospace industry" means the industry concerned
14 with the design and manufacture of aircraft, rockets,
15 missiles, spacecraft, satellites, space vehicles, space
16 stations, space facilities, or components thereof, and
17 equipment, systems, facilities, simulators, programs, and
18 activities related thereto.

19 ~~(d)(e)~~ "Business" means an employing unit, as defined
20 in s. 443.036, which is registered for unemployment
21 compensation purposes with the state agency providing
22 unemployment tax collection services under contract with the
23 Agency for Workforce Innovation through an interagency
24 agreement pursuant to s. 443.1316, or a subcategory or
25 division of an employing unit which is accepted by the state
26 agency providing unemployment tax collection services as a
27 reporting unit.

28 ~~(e)(d)~~ "Corporate headquarters business" means an
29 international, national, or regional headquarters office of a
30 multinational or multistate business enterprise or national
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1 trade association, whether separate from or connected with
2 other facilities used by such business.

3 ~~(f)(e)~~ "Office" means the Office of Tourism, Trade,
4 and Economic Development.

5 ~~(g)(f)~~ "Enterprise zone" means an area designated as
6 an enterprise zone pursuant to s. 290.0065.

7 ~~(h)(g)~~ "Expansion of an existing business" means the
8 expansion of an existing Florida business by or through
9 additions to real and personal property, resulting in a net
10 increase in employment of not less than 10 percent at such
11 business.

12 ~~(i)(h)~~ "Fiscal year" means the fiscal year of the
13 state.

14 ~~(j)(i)~~ "Jobs" means full-time equivalent positions, as
15 that term is consistent with terms used by the Agency for
16 Workforce Innovation and the United States Department of Labor
17 for purposes of unemployment compensation tax administration
18 and employment estimation, resulting directly from a project
19 in this state. The term does not include temporary
20 construction jobs involved with the construction of facilities
21 for the project or any jobs previously included in any
22 application for tax refunds under s. 288.1045 or this section.

23 ~~(k)(j)~~ "Local financial support" means funding from
24 local sources, public or private, which is paid to the
25 Economic Development Trust Fund and which is equal to 20
26 percent of the annual tax refund for a qualified target
27 industry business. A qualified target industry business may
28 not provide, directly or indirectly, more than 5 percent of
29 such funding in any fiscal year. The sources of such funding
30 may not include, directly or indirectly, state funds
31 appropriated from the General Revenue Fund or any state trust

1 fund, excluding tax revenues shared with local governments
2 pursuant to law.

3 ~~(l)(k)~~ "Local financial support exemption option"
4 means the option to exercise an exemption from the local
5 financial support requirement available to any applicant whose
6 project is located in a brownfield area or a county with a
7 population of 75,000 or fewer or a county with a population of
8 100,000 or fewer which is contiguous to a county with a
9 population of 75,000 or fewer. Any applicant that exercises
10 this option shall not be eligible for more than 80 percent of
11 the total tax refunds allowed such applicant under this
12 section.

13 ~~(m)(l)~~ "New business" means a business which
14 heretofore did not exist in this state, first beginning
15 operations on a site located in this state and clearly
16 separate from any other commercial or industrial operations
17 owned by the same business.

18 ~~(n)(m)~~ "Project" means the creation of a new business
19 or expansion of an existing business.

20 ~~(o)(n)~~ "Director" means the Director of the Office of
21 Tourism, Trade, and Economic Development.

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

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

1 2. Stability.--The industry should not be subject to
2 periodic layoffs, whether due to seasonality or sensitivity to
3 volatile economic variables such as weather. The industry
4 should also be relatively resistant to recession, so that the
5 demand for products of this industry is not necessarily
6 subject to decline during an economic downturn.

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

9 4. Market and resource independent.--The location of
10 industry businesses should not be dependent on Florida markets
11 or resources as indicated by industry analysis. Special
12 consideration should be given to the development of strong
13 industrial clusters which include defense and homeland
14 security businesses.

15 5. Industrial base diversification and
16 strengthening.--The industry should contribute toward
17 expanding or diversifying the state's or area's economic base,
18 as indicated by analysis of employment and output shares
19 compared to national and regional trends. Special
20 consideration should be given to industries that strengthen
21 regional economies by adding value to basic products or
22 building regional industrial clusters as indicated by industry
23 analysis.

24 6. Economic benefits.--The industry should have strong
25 positive impacts on or benefits to the state and regional
26 economies.

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28 The office, in consultation with Enterprise Florida, Inc.,
29 shall develop a list of such target industries annually and
30 submit such list as part of the final agency legislative
31 budget request submitted pursuant to s. 216.023(1). A target

1 industry business may not include any industry engaged in
2 retail activities; any electrical utility company; any
3 phosphate or other solid minerals severance, mining, or
4 processing operation; any oil or gas exploration or production
5 operation; or any firm subject to regulation by the Division
6 of Hotels and Restaurants of the Department of Business and
7 Professional Regulation.

8 ~~(q)~~(p) "Taxable year" means taxable year as defined in
9 s. 220.03(1)(z).

10 ~~(r)~~(q) "Qualified target industry business" means a
11 target industry business that has been approved by the
12 director to be eligible for tax refunds pursuant to this
13 section.

14 ~~(s)~~(r) "Rural county" means a county with a population
15 of 75,000 or fewer or a county with a population of 100,000 or
16 fewer which is contiguous to a county with a population of
17 75,000 or fewer.

18 ~~(t)~~(s) "Rural city" means a city with a population of
19 10,000 or less, or a city with a population of greater than
20 10,000 but less than 20,000 which has been determined by the
21 Office of Tourism, Trade, and Economic Development to have
22 economic characteristics such as, but not limited to, a
23 significant percentage of residents on public assistance, a
24 significant percentage of residents with income below the
25 poverty level, or a significant percentage of the city's
26 employment base in agriculture-related industries.

27 ~~(u)~~(t) "Rural community" means:

- 28 1. A county with a population of 75,000 or less.
- 29 2. A county with a population of 100,000 or less that
30 is contiguous to a county with a population of 75,000 or less.

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1 3. A municipality within a county described in
2 subparagraph 1. or subparagraph 2.

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4 For purposes of this paragraph, population shall be determined
5 in accordance with the most recent official estimate pursuant
6 to s. 186.901.

7 ~~(v)(u)~~ "Authorized local economic development agency"
8 means any public or private entity, including those defined in
9 s. 288.075, authorized by a county or municipality to promote
10 the general business or industrial interests of that county or
11 municipality.

12 Section 3. Paragraph (e) of subsection (1) of section
13 288.107, Florida Statutes, is amended to read:

14 288.107 Brownfield redevelopment bonus refunds.--

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

16 (e) "Eligible business" means:

17 1. A qualified target industry business as defined in
18 s. 288.106(1)(p) ~~s. 288.106(1)(o)~~; or

19 2. A business that can demonstrate a fixed capital
20 investment of at least \$2 million in mixed-use business
21 activities, including multiunit housing, commercial, retail,
22 and industrial in brownfield areas and which provides benefits
23 to its employees.

24 Section 4. Section 290.00677, Florida Statutes, is
25 amended to read:

26 290.00677 Rural enterprise zones; special
27 qualifications.--

28 (1) Notwithstanding the enterprise zone residency
29 requirements set out in s. 212.096(1)(c), eligible businesses
30 as defined by s. 212.096(1)(a), located in rural enterprise
31 zones as defined by s. 290.004, may receive the basic minimum

1 credit provided under s. 212.096 for creating a new job and
2 hiring a person residing within the jurisdiction of a rural
3 county, as defined by s. 288.106(1)(s) ~~s. 288.106(1)(r)~~. All
4 other provisions of s. 212.096, including, but not limited to,
5 those relating to the award of enhanced credits, apply to such
6 businesses.

7 (2) Notwithstanding the enterprise zone residency
8 requirements set out in s. 220.03(1)(q), businesses as defined
9 by s. 220.03(1)(c), located in rural enterprise zones as
10 defined in s. 290.004, may receive the basic minimum credit
11 provided under s. 220.181 for creating a new job and hiring a
12 person residing within the jurisdiction of a rural county, as
13 defined by s. 288.106(1)(s) ~~s. 288.106(1)(r)~~. All other
14 provisions of s. 220.181, including, but not limited to, those
15 relating to the award of enhanced credits apply to such
16 businesses.

17 Section 5. This act shall take effect July 1, 2005.

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20 SENATE SUMMARY

21 Increases the maximum refund from the Economic
22 Development Trust Fund from \$35 million a year to \$40
23 million a year. Provides that funds for the aerospace
24 industry be appropriated into a separate account. Defines
25 the term "aerospace industry" and redefines the term
26 "target industry business."
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