

Bill No. CS for CS for SB 2728, 2nd Eng.

Barcode 053854

CHAMBER ACTION

Senate

House

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11 Senator Fasano moved the following **amendment to House**

12 **amendment** (870215):

14 **Senate Amendment (with title amendment)**

15 On page 4, line 89, through page 6, line 150, delete
16 those lines

18 and insert:

<A NAME="Page1Line19 Section 2. Section 288.1088, Florida
Statutes, is

20 amended to read:

21 288.1088 QuickAction Closing Fund.--

22 (1)(a) The Legislature finds that attracting,
 23 retaining, and providing favorable conditions for the growth
 24 of certain high-impact business facilities, privately
 25 developed critical rural infrastructure, or key facilities in
 26 economically distressed urban or rural communities which
 27 provide widespread economic benefits to the public through
 28 high-quality employment opportunities in such facilities or in
 29 related facilities attracted to the state, through the
 30 increased tax base provided by the high-impact facility and
 31 related businesses, through an enhanced entrepreneurial

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1 climate in the state and the resulting business and employment
 2 opportunities, and through the stimulation and enhancement of
 3 the state's universities and community colleges. In the global
 4 economy, there exists serious and fierce international
 5 competition for these facilities, and in most instances, when
 6 all available resources for economic development have been
 7 used, the state continues to encounter severe competitive
 8 disadvantages in vying for these business facilities.
 9 Florida's rural areas must provide a competitive environment
 10 for business in the information age. This often requires an
 11 incentive to make it feasible for private investors to provide
 12 infrastructure in those areas.

13 (b) The Legislature therefore declares that sufficient
 14 resources shall be available to respond to extraordinary
 15 economic opportunities and to compete effectively for these
 16 high-impact business facilities, critical private
 17 infrastructure in rural areas, and key businesses in
 18 economically distressed urban or rural communities.

19 (2) There is created within the Office of Tourism,
 20 Trade, and Economic Development the Quick Action Closing Fund.
 21 Projects eligible for receipt of funds from the Quick Action
 22 Closing Fund shall:

23 (a) Be in an industry as referenced in s. 288.106.

24 (b) Have a positive payback ratio of at least 5 to 1.

25 (c) Be an inducement to the project's location or
 26 expansion in the state.

27 (d) Pay an average annual wage of at least 125 percent
 28 of the areawide or statewide private-sector average wage.

29 (e) Be supported by the local community in which the
 30 project is to be located.

31 (3)(a) Enterprise Florida, Inc., shall determine

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1 eligibility of each project consistent with the criteria in
2 subsection (2). Enterprise Florida, Inc., in consultation with
3 the Office of Tourism, Trade, and Economic Development, may
4 waive these criteria based on extraordinary circumstances if
5 the project would significantly benefit the local or regional
6 economy. Enterprise Florida, Inc., shall evaluate individual
7 proposals for high-impact business facilities and forward
8 recommendations regarding the use of moneys in the fund for
9 such facilities to the director of the Office of Tourism,
10 Trade, and Economic Development. Such evaluation and
11 recommendation must include, but need not be limited to:

- 12 1. A description of the type of facility or
13 infrastructure, its operations, and the associated product or
14 service associated with the facility.
- 15 2. The number of full-time-equivalent jobs that will
16 be created by the facility and the total estimated average
17 annual wages of those jobs or, in the case of privately
18 developed rural infrastructure, the types of business
19 activities and jobs stimulated by the investment.
- 20 3. The cumulative amount of investment to be dedicated
21 to the facility within a specified period.
- 22 4. A statement of any special impacts the facility is
23 expected to stimulate in a particular business sector in the
24 state or regional economy or in the state's universities and
25 community colleges.
- 26 5. A statement of the role the incentive is expected
27 to play in the decision of the applicant business to locate or
28 expand in this state or for the private investor to provide
29 critical rural infrastructure.
- 30 6. A report evaluating the quality and value of the
31 company submitting a proposal. The report must include:

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1 a. A financial analysis of the company, including an
 2 evaluation of the company's short-term liquidity ratio as
 3 measured by its assets to liability, the company's
 4 profitability ratio, and the company's long-term solvency as
 5 measured by its debt-to-equity ratio;

6 b. The historical market performance of the company;

7 c. A review of any independent evaluations of the
 8 company;

9 d. A review of the latest audit of the company's
 10 financial statement and the related auditor's management
 11 letter; and

12 e. A review of any other types of audits that are
 13 related to the internal and management controls of the
 14 company.

15 (b) Upon receipt of the evaluation and recommendation
 16 from Enterprise Florida, Inc., the director shall recommend
 17 approval or disapproval of a project for receipt of funds from
 18 the Quick Action Closing Fund to the Governor. In recommending
 19 a project, the director shall include proposed performance
 20 conditions that the project must meet to obtain incentive
 21 funds. The Governor shall provide the evaluation of projects
 22 recommended for approval to the President of the Senate and
 23 the Speaker of the House of Representatives and consult with
 24 the President of the Senate and the Speaker of the House of
 25 Representatives before giving final approval for a project.
 26 The Executive Office of the Governor shall recommend approval
 27 of a project and the release of funds pursuant to the
 28 legislative consultation and review requirements set forth in
 29 s. 216.177. The recommendation must include proposed
 30 performance conditions that the project must meet in order to
 31 obtain funds.

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1 (c) Upon the approval of the Governor, the director of
 2 the Office of Tourism, Trade, and Economic Development and the
 3 business shall enter into a contract that sets forth the
 4 conditions for payment of moneys from the fund. The contract
 5 must include the total amount of funds awarded; the
 6 performance conditions that must be met to obtain the award,
 7 including, but not limited to, net new employment in the
 8 state, average salary, and total capital investment;
 9 demonstrate a baseline of current service and a measure of
 10 enhanced capability; the methodology for validating
 11 performance; the schedule of payments from the fund; and
 12 sanctions for failure to meet performance conditions. The
 13 contract must provide that payment of moneys from the fund is
 14 contingent upon sufficient appropriation of funds by the
 15 Legislature and upon sufficient release of appropriated funds
 16 by the Legislative Budget Commission.

17 (d) Enterprise Florida, Inc., shall validate
 18 contractor performance. Such validation shall be reported
 19 within 6 months after completion of the contract to the
 20 Governor, President of the Senate, and the Speaker of the
 21 House of Representatives.

22 ~~(4) The Governor may, in an emergency or special~~
 23 ~~circumstance, and in consultation with the President of the~~
 24 ~~Senate and the Speaker of the House of Representatives,~~
 25 ~~reallocate unencumbered funds appropriated to the Quick Action~~
 26 ~~Closing Fund to supplement statutorily created economic~~
 27 ~~development programs and operations. The Executive Office of~~
 28 ~~the Governor shall recommend approval of the transfer and~~
 29 ~~release of funds pursuant to the legislative consultation and~~
 30 ~~review requirements set forth in s. 216.177.~~

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

2 And the title is amended as follows:

3 On page 21, line 575, after the semicolon

4

5 insert:

6 requiring that a contract for payment from the

7 Quick Action Closing Fund provide that the

8 payment of moneys is contingent upon a

9 sufficient appropriation of funds by the

10 Legislature and upon the release of

11 appropriated funds by the Legislative Budget

12 Commission; deleting provisions authorizing the

13 Governor to reallocate unencumbered funds in

14 the Quick Action Closing Fund to other economic

15 development programs;

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