

By the Committees on Transportation and Economic Development  
 Appropriations; Commerce and Consumer Services; and Senators  
 Fasano and Lynn

606-2281-06

1	A bill to be entitled
2	An act relating to economic development
3	incentives; amending s. 288.1088, F.S.;
4	providing eligibility requirements for the
5	receipt of funds from the Quick Action Closing
6	Fund; authorizing the waiver of certain
7	criteria for projects that would significantly
8	benefit the economy; providing additional
9	requirements for Enterprise Florida, Inc., in
10	evaluating proposed projects; requiring that a
11	contract for payment from the Quick Action
12	Closing Fund provide that the payment of moneys
13	is contingent upon a sufficient appropriation
14	of funds by the Legislature and upon the
15	release of appropriated funds by the
16	Legislative Budget Commission; deleting
17	provisions authorizing the Governor to
18	reallocate unencumbered funds in the Quick
19	Action Closing Fund to other economic
20	development programs; creating s. 288.1089,
21	F.S.; creating the Innovation Incentive Program
22	within the Office of Tourism, Trade, and
23	Economic Development for certain purposes;
24	providing definitions; providing an
25	incentive-award limitation; providing for award
26	application and eligibility; providing
27	qualification requirements; providing proposal
28	evaluation and recommendations requirements for
29	Enterprise Florida, Inc.; providing for
30	negotiation of award amounts by the office;
31	providing for agreements for payments of

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

1 certain moneys under certain circumstances;  
2 providing criteria for award approval or  
3 disapproval; providing for incentive payment  
4 agreements; requiring Enterprise Florida, Inc.,  
5 to assist the office in validating certain  
6 business performances; requiring a report to  
7 the Governor and Legislature; authorizing the  
8 office to allocate certain funds for certain  
9 purposes; amending s. 403.973, F.S.; providing  
10 for review of possible sites for projects  
11 funded under s. 288.1089, F.S.; providing  
12 appropriations; effectuating a fund transfer;  
13 providing for future expiration of the act;  
14 providing an effective date.

15  
16 Be It Enacted by the Legislature of the State of Florida:

17  
18 Section 1. Section 288.1088, Florida Statutes, is  
19 amended to read:

20 288.1088 Quick Action Closing Fund.--

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

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

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

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

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

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

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

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

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

30 |         (3)(a) Enterprise Florida, Inc., shall determine  
31 | eligibility of each project consistent with the criteria in

1 subsection (2). Enterprise Florida, Inc., in consultation with  
2 the Office of Tourism, Trade, and Economic Development, may  
3 waive these criteria based on extraordinary circumstances if  
4 the project would significantly benefit the local or regional  
5 economy. Enterprise Florida, Inc., shall evaluate individual  
6 proposals for high-impact business facilities and forward  
7 recommendations regarding the use of moneys in the fund for  
8 such facilities to the director of the Office of Tourism,  
9 Trade, and Economic Development. Such evaluation and  
10 recommendation must include, but need not be limited to:  
11       1. A description of the type of facility or  
12 infrastructure, its operations, and the associated product or  
13 service associated with the facility.  
14       2. The number of full-time-equivalent jobs that will  
15 be created by the facility and the total estimated average  
16 annual wages of those jobs or, in the case of privately  
17 developed rural infrastructure, the types of business  
18 activities and jobs stimulated by the investment.  
19       3. The cumulative amount of investment to be dedicated  
20 to the facility within a specified period.  
21       4. A statement of any special impacts the facility is  
22 expected to stimulate in a particular business sector in the  
23 state or regional economy or in the state's universities and  
24 community colleges.  
25       5. A statement of the role the incentive is expected  
26 to play in the decision of the applicant business to locate or  
27 expand in this state or for the private investor to provide  
28 critical rural infrastructure.  
29       6. A report evaluating the quality and value of the  
30 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  
24 directly with the President of the Senate and the Speaker of  
25 the House of Representatives before giving final approval for  
26 a project. The Executive Office of the Governor shall  
27 recommend approval of a project and the release of funds  
28 pursuant to the legislative consultation and review  
29 requirements set forth in s. 216.177. The recommendation must  
30 include proposed performance conditions that the project must  
31 meet in order to obtain funds.

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           Section 2. Section 288.1089, Florida Statutes, is  
2 created to read:

3           288.1089 Innovation Incentive Program.--

4           (1) There is created an Innovation Incentive Program  
5 within the Governor's Office of Tourism, Trade, and Economic  
6 Development, which is intended to ensure that sufficient  
7 resources are available to allow the state to respond  
8 expeditiously to extraordinary economic opportunities and to  
9 compete effectively for high-value research and development  
10 and innovation business projects.

11           (2) As used in this section, the term:

12           (a) "Average private-sector wage" means the statewide  
13 average wage in the private sector or the average of all  
14 private-sector wages and salaries in the county or in the  
15 standard metropolitan area in which the project is located as  
16 determined by the Agency for Workforce Innovation.

17           (b) "Brownfield area" means an area designated as a  
18 brownfield area pursuant to s.376.80.

19           (c) "Cumulative investment" means cumulative capital  
20 investment and all eligible capital costs as defined in s.  
21 220.191.

22           (d) "Director" means the director of the Office of  
23 Tourism, Trade, and Economic Development.

24           (e) "Enterprise zone" means an area designated as an  
25 enterprise zone pursuant to s. 290.0065.

26           (f) "Fiscal year" means the state fiscal year.

27           (g) "Innovation business" means a business expanding  
28 or locating in this state which is likely to serve as a  
29 catalyst for the growth of an existing or emerging technology  
30 cluster or which will significantly impact the regional  
31 economy in which it is to expand or locate.

1        (h) "Jobs" means full-time equivalent positions, as  
2 that term is consistent with terms used by the Agency for  
3 Workforce Innovation and the United States Department of Labor  
4 for purposes of unemployment compensation tax administration  
5 and employment estimation, resulting directly from a project  
6 in this state. The term does not include temporary  
7 construction jobs.

8        (i) "Match" means funding from local sources, public  
9 or private, which is paid to the applicant and which equals  
10 100 percent of the award. Eligible match funding may include  
11 any tax abatement granted to the applicant under s. 196.1995  
12 or the appraised market value of land, buildings,  
13 infrastructure, or equipment conveyed or provided at a  
14 discount to the applicant. Complete documentation of match  
15 payment or other conveyance must be presented to and verified  
16 by the office before transfer of state funds to an applicant.  
17 An applicant may not provide, directly or indirectly, more  
18 than 5 percent of match funding in any fiscal year. The  
19 sources of such funding may not include, directly or  
20 indirectly, state funds appropriated from the General Revenue  
21 Fund or any state trust fund, excluding tax revenues shared  
22 with local governments pursuant to law.

23        (j) "Office" means the Office of Tourism, Trade, and  
24 Economic Development.

25        (k) "Project" means the location to or expansion in  
26 this state by an innovation business or research and  
27 development applicant approved for an award pursuant to this  
28 section.

29        (l) "Research and development" means basic and applied  
30 research in the sciences or engineering, as well as the  
31 design, development, and testing, of prototypes or processes



1 of new or improved products. Research and development does not  
2 include market research, routine consumer product testing,  
3 sales research, research in the social sciences or psychology,  
4 nontechnological activities, or technical services.

5 (m) "Research and development facility" means a  
6 facility that is predominately engaged in research and  
7 development activities. For purposes of this paragraph, the  
8 term "predominately" means at least 51 percent of the time.

9 (n) "Rural area" means a rural city, a rural  
10 community, or a rural county as defined in s. 288.106.

11 (3) To be eligible for consideration for an innovation  
12 incentive award, an innovation business or research and  
13 development entity must submit a written application to  
14 Enterprise Florida, Inc., before making a decision to locate  
15 new operations in this state or to expand an existing  
16 operation in this state. The application must include, but  
17 need not be limited to:

18 (a) The applicant's federal employer identification  
19 number, unemployment account number, and state sales tax  
20 registration number. If these numbers are not available at the  
21 time of application, they must be submitted to the office in  
22 writing before the disbursement of any payments under this  
23 section.

24 (b) The location in this state at which the project is  
25 located or is to be located.

26 (c) A description of the type of business activity,  
27 product, or research and development to be undertaken by the  
28 applicant, including six-digit North American Industry  
29 Classification System codes for all activities included in the  
30 project.

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1       (d) The applicant's projected investment in the  
2 project.

3       (e) The total investment, from all sources, in the  
4 project.

5       (f) The number of net new full-time equivalent jobs in  
6 this state which the applicant anticipates having created as  
7 of December 31 of each year of the project and the average  
8 annual wage of those jobs.

9       (g) The total number of full-time equivalent employees  
10 currently employed by the applicant in this state, if  
11 applicable.

12       (h) The anticipated commencement date of the project.

13       (i) A detailed explanation of why the innovation  
14 incentive is needed to induce the applicant to expand or  
15 locate in the state and whether an award would cause the  
16 applicant to locate or expand in this state.

17       (j) If applicable, an estimate of the proportion of  
18 the revenues resulting from the project which will be  
19 generated outside this state.

20       (4) To qualify for review by the office, the applicant  
21 must, at a minimum, establish the following to the  
22 satisfaction of Enterprise Florida, Inc., and the office:

23       (a) The jobs created by the project must pay an  
24 estimated annual average wage equaling at least 130 percent of  
25 the average private-sector wage. The office may waive this  
26 average-wage requirement at the request of Enterprise Florida,  
27 Inc., for a project located in a rural area, a brownfield  
28 area, or in an enterprise zone if the merits of the individual  
29 project or the specific circumstances of the community in  
30 relationship to the project warrant such action. A  
31 recommendation for waiver by Enterprise Florida, Inc., must

1 include a specific justification supporting the waiver and be  
2 transmitted in writing to the office. If the director elects  
3 to waive the wage requirement, the waiver must be stated in  
4 writing and the reasons for granting the waiver must be  
5 explained.

6 (b) A research and development project must:

7 1. Serve as a catalyst of an emerging or evolving  
8 cluster;

9 2. Demonstrate a plan for significant higher-education  
10 collaboration;

11 3. Provide the state, at a minimum, a break-even  
12 return on its investment within a 20-year period; and

13 4. Be provided with a one-to-one match from the local  
14 community. The match requirement may be reduced or waived in  
15 rural areas of critical economic concern or reduced in rural  
16 areas, brownfield areas, and enterprise zones.

17 (c) An innovation business project, other than a  
18 research and development project, must:

19 1.a. Result in the creation of at least 1,000 direct,  
20 new jobs at the business; or

21 b. Result in the creation of at least 750 direct, new  
22 jobs if the project is located in a rural area, a brownfield  
23 area, or in an enterprise zone.

24 2. Have an activity or product that is within an  
25 industry that is designated as a target industry business  
26 under s. 288.106 or in a designated sector under s. 288.108.

27 3.a. Have a cumulative investment of at least \$500  
28 million within a 5-year period; or

29 b. Have a cumulative investment that exceeds \$375  
30 million within a 5-year period if the project is located in a  
31 rural area, a brownfield area, or in an enterprise zone.

1           4. Be provided with a one-to-one match from the local  
2 community. The match requirement may be reduced or waived in  
3 rural areas of critical economic concern or reduced in rural  
4 areas, brownfield areas, and enterprise zones.

5           (5) Enterprise Florida, Inc., shall evaluate proposals  
6 for innovation incentive awards and forward recommendations  
7 for awards to the office. Such evaluation and recommendation  
8 must include, but need not be limited to:

9           (a) A description of the project, its required  
10 facilities, and the product, service, or research and  
11 development associated with the project.

12           (b) The percentage of match provided for the project.

13           (c) The number of full-time equivalent jobs that will  
14 be created by the project, the total estimated average annual  
15 wages of those jobs, and the types of business activities and  
16 jobs likely to be stimulated by the project.

17           (d) The cumulative investment to be dedicated to the  
18 project within 3 years and the total investment expected in  
19 the project if more than 3 years.

20           (e) The projected economic and fiscal impacts on the  
21 local and state economies relative to investment.

22           (f) A statement of any special impacts the project is  
23 expected to produce in a particular business sector in the  
24 state or regional economy or in the state's universities and  
25 community colleges.

26           (g) A statement of any anticipated or proposed  
27 relationships with state universities.

28           (h) A statement of the role the incentive is expected  
29 to play in the decision of the applicant to locate or expand  
30 in this state.

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1        (i) A recommendation and explanation of the amount of  
2 the award needed to cause the applicant to expand or locate in  
3 this state.

4        (j) A discussion of the efforts and commitments made  
5 by the local community in which the project is to be located  
6 to induce the applicant's location or expansion in light of  
7 local resources and abilities.

8        (k) A recommendation for specific performance criteria  
9 the applicant would be expected to achieve in order to receive  
10 payments from the fund and penalties or sanctions for failure  
11 to meet or maintain performance conditions.

12        (l) For a research and development facility, an  
13 evaluation and recommendation must include:

14            1. A description of the extent to which the project  
15 has the potential to serve as a catalyst for an emerging or  
16 evolving cluster;

17            2. A description of the extent to which the project  
18 has or could have a long-term collaborative research and  
19 development relationship with one or more universities or  
20 community colleges in this state;

21            3. A description of the existing or projected impact  
22 of the project on established clusters or targeted industry  
23 sectors;

24            4. A description of the project's contribution to the  
25 diversity and resiliency of this state's innovation economy;  
26 and

27            5. A description of the project's impact on  
28 special-needs communities, including, but not limited to,  
29 rural areas, distressed urban areas, and enterprise zones.

30        (6) The office may, in consultation with Enterprise  
31 Florida, Inc., negotiate the proposed amount of an award for

1 any applicant meeting the requirements of this section. In  
2 negotiating such award, the office shall consider the amount  
3 of the incentive needed to cause the applicant to locate or  
4 expand in this state in conjunction with other relevant  
5 applicant impact and cost information and analysis as outlined  
6 in this section. Particular emphasis shall be given to the  
7 potential of the project to stimulate additional private  
8 investment and high-quality employment opportunities in the  
9 state.

10 (7) Upon receipt of the evaluation and recommendation  
11 from Enterprise Florida, Inc., the director shall recommend  
12 the approval or disapproval of an award to the Governor. In  
13 recommending approval of an award, the director shall include  
14 proposed performance conditions that the applicant must meet  
15 in order to obtain incentive funds and any other conditions  
16 that must be met before the receipt of any incentive funds.  
17 The Governor shall consult with the President of the Senate  
18 and the Speaker of the House of Representatives before giving  
19 approval for an award. Upon approval of an award, the  
20 Executive Office of the Governor shall release the funds  
21 pursuant to the legislative consultation and review the  
22 requirements set forth in s. 216.177.

23 (8) Upon approval by the Governor and release of the  
24 funds as set forth in subsection (7), the director shall issue  
25 a letter certifying the applicant as qualified for an award.  
26 The office and the applicant shall enter into an agreement  
27 that sets forth the conditions for payment of incentives. The  
28 agreement must include the total amount of funds awarded; the  
29 performance conditions that must be met in order to obtain the  
30 award or portions of the award, including, but not limited to,  
31 net new employment in the state, average wage, and total

1 cumulative investment; demonstration of a baseline of current  
2 service and a measure of enhanced capability; the methodology  
3 for validating performance; the schedule of payments; and  
4 sanctions for failure to meet performance conditions,  
5 including any provisions for repayment of incentive payments.

6 (9) Enterprise Florida, Inc., shall assist the office  
7 in validating the performance of an innovation business or  
8 research and development facility that has received an award.  
9 At the conclusion of the innovation incentive award agreement,  
10 or its earlier termination, Enterprise Florida, Inc., shall,  
11 within 90 days, report the results of the innovation incentive  
12 award to the Governor, the President of the Senate, and the  
13 Speaker of the House of Representatives.

14 Section 3. Present subsections (16) through (19) of  
15 section 403.973, Florida Statutes, are renumbered as  
16 subsections (17) through (20), respectively, and new  
17 subsection (16) is added to that section, to read:

18 403.973 Expedited permitting; comprehensive plan  
19 amendments.--

20 (16) The office, working with the agencies  
21 participating in the memoranda of agreement, shall review  
22 sites proposed for the location of facilities eligible for the  
23 Innovation Incentive Program under s. 288.1089. Within 20 days  
24 after the request for the review by the office, the agencies  
25 shall provide to the office a statement as to each site's  
26 necessary permits under local, state, and federal law and an  
27 identification of significant permitting issues that, if  
28 unresolved, might result in the denial of an agency permit or  
29 approval or any significant delay caused by the permitting  
30 process.

1           Section 4. For the 2006-2007 fiscal year, the sum of  
2 \$10 million is appropriated from the General Revenue Fund to  
3 the Office of Tourism, Trade, and Economic Development within  
4 the Executive Office of the Governor to fund the Quick Action  
5 Closing Fund as authorized in s. 288.1088, Florida Statutes.  
6 These funds shall be placed in reserve by the Executive Office  
7 of the Governor on July 1, 2006. The Office of Tourism, Trade,  
8 and Economic Development may request the release of funds as  
9 needed to implement the provisions of s. 288.1088, Florida  
10 Statutes, through the Legislative Budget Commission.

11           Section 5. For the 2006-2007 fiscal year, the sum of  
12 \$150 million is appropriated from the General Revenue Fund for  
13 transfer to the Economic Development Trust Fund within the  
14 Office of Tourism, Trade, and Economic Development. Funds  
15 transferred under this section are not subject to the service  
16 charge set forth in s. 215.20, Florida Statutes. The sum of  
17 \$150 million is appropriated for the 2006-2007 fiscal year  
18 from the Economic Development Trust Fund within the Office of  
19 Tourism, Trade, and Economic Development to be used to  
20 implement this act. These funds in the Economic Development  
21 Trust Fund shall be placed in reserve by the Executive Office  
22 of the Governor on July 1, 2006. The Office of Tourism, Trade,  
23 and Economic Development may request the release of funds as  
24 needed to implement the provisions of this act through the  
25 Legislative Budget Commission. Funds not expended during the  
26 2006-2007 fiscal year may be used in future fiscal years as  
27 appropriated in the General Appropriations Act or other law.

28           Section 6. This act expires July 1, 2011. Upon that  
29 date, any unobligated funds remaining in the Economic  
30 Development Trust Fund from the transfer made in section 5 of  
31 this act shall be transferred back to the General Revenue



1 Fund. Notwithstanding s. 216.301(1), Florida Statutes, and  
2 pursuant to s. 216.351, Florida Statutes, any funds remaining  
3 in the trust fund which are obligated to a properly approved  
4 project under this act but only partially disbursed shall  
5 remain in the trust fund to be disbursed by the Office of  
6 Tourism, Trade, and Economic Development pursuant to the terms  
7 of the originally approved contract.

8           Section 7. This act shall take effect July 1, 2006.

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1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                   COMMITTEE SUBSTITUTE FOR  
3                   CS/Senate Bill 2728

4 This committee substitute adds changes to s. 288.1088, F.S.,  
5 governing the Quick Action Closing Fund (QACF), as follows:

6 -- Adds criteria for project eligibility for QACF awards  
7 relating to targeted industries, payback ratio, average  
8 wage, and community support. Provides that the Office of  
9 Tourism, Trade and Economic Development (OTTED) may waive  
10 these criteria based on extraordinary circumstances if  
11 the project would significantly benefit the local or  
12 regional economy.

13 -- Requires that the evaluation of the QACF proposals  
14 submitted by Enterprise Florida to OTTED include an  
15 evaluation of the quality and value of the company, to  
16 include a financial analysis of the company, the  
17 historical market performance of the company, and reviews  
18 of evaluations and audits of the company.

19 -- Requires that the Governor provide the evaluation of  
20 projects recommended for QACF awards to the President of  
21 the Senate and the Speaker of the House of  
22 Representatives, and to consult directly with them.

23 -- Requires that contracts awarding QACF funds must provide  
24 that payments are contingent upon legislative  
25 appropriation of sufficient funds and sufficient release  
26 of funds by the Legislative Budget Commission.

27 -- Deletes authority of the Governor to reallocate  
28 unencumbered QACF appropriations to supplement other  
29 statutorily created economic development programs.

30 The committee substitute makes technical changes to  
31 definitions in s. 288.1089, F.S., relating to the Innovation  
Incentive Program, and requires that contracts awarding funds  
pursuant to the program must contain provisions for repayment  
of incentive funds for failure to meet performance conditions.  
It provides that an innovation business project must meet the  
cumulative investment requirement in 5 years instead of 3  
years.

The committee substitute also provides an appropriation for  
the 2006-2007 fiscal year of \$10 million for the QACF, and  
\$150 million for the Innovation Incentive Program.