

1 A bill to be entitled
2 An act relating to super enterprise zones; amending s.
3 212.02, F.S.; providing a definition; providing for future
4 repeal; amending s. 212.08, F.S.; exempting certain
5 property purchased for use or consumption by businesses in
6 a super enterprise zone and retail sales by certified
7 businesses in a super enterprise zone; providing an
8 exception; specifying time periods for application of the
9 exemptions for certain businesses; providing for future
10 repeal; amending s. 290.0056, F.S.; providing additional
11 responsibilities of an enterprise zone development agency
12 relating to super enterprise zones; requiring an economic
13 impact report; providing for future repeal; amending s.
14 290.0057, F.S.; applying requirements for an enterprise
15 zone development plan to super enterprise zones; providing
16 for future deletion of application; creating s. 290.00681,
17 F.S.; requiring the Office of Tourism, Trade, and Economic
18 Development to designate a specified area in Miami-Dade
19 County as a pilot project super enterprise zone for a
20 certain time period; providing qualification criteria;
21 providing application requirements; providing for future
22 repeal and revocation of the designation; creating s.
23 290.00682, F.S.; providing requirements for qualification
24 as a certified business for sales tax exemption purposes;
25 authorizing a local enterprise zone development agency to
26 certify businesses; requiring the agency to provide lists
27 of certified businesses; providing for disqualifying
28 certified businesses under certain circumstances;

29 providing for future repeal and revocation of
30 certifications; amending s. 290.007, F.S.; specifying
31 incentives for revitalization of super enterprise zones;
32 providing for future deletion of such incentives;
33 requiring interim and final reviews of super enterprise
34 zones by the Office of Program Policy Analysis and
35 Government Accountability; providing review of criteria;
36 requiring reports to the Legislature; providing effective
37 dates.

38
39 Be It Enacted by the Legislature of the State of Florida:

40
41 Section 1. Subsection (34) is added to section 212.02,
42 Florida Statutes, to read:

43 212.02 Definitions.--The following terms and phrases when
44 used in this chapter have the meanings ascribed to them in this
45 section, except where the context clearly indicates a different
46 meaning:

47 (34) "Certified business" means a business located in a
48 super enterprise zone that is certified under s. 290.00682. This
49 subsection is repealed June, 30, 2020.

50 Section 2. Subsection (19) is added to section 212.08,
51 Florida Statutes, to read:

52 212.08 Sales, rental, use, consumption, distribution, and
53 storage tax; specified exemptions.--The sale at retail, the
54 rental, the use, the consumption, the distribution, and the
55 storage to be used or consumed in this state of the following

56 are hereby specifically exempt from the tax imposed by this
 57 chapter.

58 (19) EXEMPTIONS; SUPER ENTERPRISE ZONES.--

59 (a) The tax imposed by this chapter does not apply to:

60 1. Tangible personal property purchased by certified
 61 businesses for the exclusive use or consumption of such
 62 businesses within a super enterprise zone; or

63 2. Retail sales of tangible personal property made by a
 64 certified business from a place of business owned or leased and
 65 operated by the business for the purpose of making retail sales
 66 and located in a designated super enterprise zone. The exemption
 67 provided by this subparagraph does not apply to the retail sale
 68 of any item with a price greater than \$1,000. To qualify for the
 69 exemption under this subparagraph, the purchaser must take
 70 possession of the qualified item within the super enterprise
 71 zone or the qualified item must be shipped from inside the super
 72 enterprise zone; however, the item may be shipped to any
 73 location. For the purposes of this section, all qualified sales
 74 made by a certified business located in a super enterprise zone
 75 shall be considered to have occurred within the super enterprise
 76 zone, regardless of where the transfer of title or possession
 77 takes place.

78 (b) Notwithstanding paragraph (a), a new business
 79 established in a super enterprise zone and certified on or after
 80 July 1, 2008, pursuant to s. 290.00682 is eligible for the
 81 exemptions provided under this subsection for a period not to
 82 exceed 10 years immediately following such certification. For an
 83 existing business located in a super enterprise zone and

84 certified on or after July 1, 2008, the exemptions provided
 85 under this subsection shall be available for a period not to
 86 exceed 5 years, beginning in the year in which the business
 87 receives its initial certification and continuing for up to 5
 88 years immediately following such certification.

89 (c) This subsection is repealed June 30, 2020.

90 Section 3. Paragraph (i) is added to subsection (8) of
 91 section 290.0056, Florida Statutes, paragraph (f) of subsection
 92 (11) of that section is redesignated as paragraph (g), and a new
 93 paragraph (f) is added to that subsection, to read:

94 290.0056 Enterprise zone development agency.--

95 (8) The enterprise zone development agency shall have the
 96 following powers and responsibilities:

97 (i)1. To recommend and submit an application to the office
 98 for the designation of a super enterprise zone.

99 2. To coordinate with the local governmental entity for
 100 the exemptions from the sales and use tax provided under s.
 101 212.08(19).

102
 103 This paragraph is repealed June 30, 2020.

104 (11) Prior to December 1 of each year, the agency shall
 105 submit to the Office of Tourism, Trade, and Economic Development
 106 a complete and detailed written report setting forth:

107 (f) The economic impact of a super enterprise zone, if
 108 applicable, including:

109 1. A list of certified businesses and whether the business
 110 is new or where the business relocated from.

111 2. The number of jobs created.

112 3. The percentage of employees employed by certified
 113 businesses who reside in the super enterprise zone or in an
 114 enterprise zone within the same county.

115 4. The extent of capital investment by certified
 116 businesses within the zone.

117 5. The success of the super enterprise zone as measured by
 118 the strategic plan and methods identified in s. 290.0057(1)(i).
 119

120 This paragraph is repealed June 30, 2020.

121 Section 4. Subsection (1) of section 290.0057, Florida
 122 Statutes, is amended to read:

123 290.0057 Enterprise zone development plan.--

124 (1) Any application for designation as a new enterprise
 125 zone or super enterprise zone must be accompanied by a strategic
 126 plan adopted by the governing body of the municipality or
 127 county, or the governing bodies of the county and one or more
 128 municipalities together. At a minimum, the plan must:

129 (a) Briefly describe the community's goals for
 130 revitalizing the area.

131 (b) Describe the ways in which the community's approaches
 132 to economic development, social and human services,
 133 transportation, housing, community development, public safety,
 134 and educational and environmental concerns will be addressed in
 135 a coordinated fashion, and explain how these linkages support
 136 the community's goals.

137 (c) Identify and describe key community goals and the
 138 barriers that restrict the community from achieving these goals,
 139 including a description of poverty and general distress,

140 barriers to economic opportunity and development, and barriers
141 to human development.

142 (d) Describe the process by which the affected community
143 is a full partner in the process of developing and implementing
144 the plan and the extent to which local institutions and
145 organizations have contributed to the planning process.

146 (e) Commit the governing body or bodies to enact and
147 maintain local fiscal and regulatory incentives, if approval for
148 the area is received under s. 290.0065. These incentives may
149 include the municipal public service tax exemption provided by
150 s. 166.231, the economic development ad valorem tax exemption
151 provided by s. 196.1995, the occupational license tax exemption
152 provided by s. 205.054, local impact fee abatement or reduction,
153 or low-interest or interest-free loans or grants to businesses
154 to encourage the revitalization of the nominated area.

155 (f) Identify the amount of local and private resources
156 that will be available in the nominated area and the
157 private/public partnerships to be used, which may include
158 participation by, and cooperation with, universities, community
159 colleges, small business development centers, black business
160 investment corporations, certified development corporations, and
161 other private and public entities.

162 (g) Indicate how state enterprise zone tax incentives and
163 state, local, and federal resources will be utilized within the
164 nominated area.

165 (h) Identify the funding requested under any state or
166 federal program in support of the proposed economic, human,
167 community, and physical development and related activities.

168 (i) Identify baselines, methods, and benchmarks for
169 measuring the success of carrying out the strategic plan.

170 Section 5. Effective July 1, 2020, subsection (1) of
171 section 290.0057, Florida Statutes, as amended by this act, is
172 amended to read:

173 290.0057 Enterprise zone development plan.--

174 (1) Any application for designation as a new enterprise
175 zone ~~or super-enterprise zone~~ must be accompanied by a strategic
176 plan adopted by the governing body of the municipality or
177 county, or the governing bodies of the county and one or more
178 municipalities together. At a minimum, the plan must:

179 (a) Briefly describe the community's goals for
180 revitalizing the area.

181 (b) Describe the ways in which the community's approaches
182 to economic development, social and human services,
183 transportation, housing, community development, public safety,
184 and educational and environmental concerns will be addressed in
185 a coordinated fashion, and explain how these linkages support
186 the community's goals.

187 (c) Identify and describe key community goals and the
188 barriers that restrict the community from achieving these goals,
189 including a description of poverty and general distress,
190 barriers to economic opportunity and development, and barriers
191 to human development.

192 (d) Describe the process by which the affected community
193 is a full partner in the process of developing and implementing
194 the plan and the extent to which local institutions and
195 organizations have contributed to the planning process.

196 (e) Commit the governing body or bodies to enact and
 197 maintain local fiscal and regulatory incentives, if approval for
 198 the area is received under s. 290.0065. These incentives may
 199 include the municipal public service tax exemption provided by
 200 s. 166.231, the economic development ad valorem tax exemption
 201 provided by s. 196.1995, the occupational license tax exemption
 202 provided by s. 205.054, local impact fee abatement or reduction,
 203 or low-interest or interest-free loans or grants to businesses
 204 to encourage the revitalization of the nominated area.

205 (f) Identify the amount of local and private resources
 206 that will be available in the nominated area and the
 207 private/public partnerships to be used, which may include
 208 participation by, and cooperation with, universities, community
 209 colleges, small business development centers, black business
 210 investment corporations, certified development corporations, and
 211 other private and public entities.

212 (g) Indicate how state enterprise zone tax incentives and
 213 state, local, and federal resources will be utilized within the
 214 nominated area.

215 (h) Identify the funding requested under any state or
 216 federal program in support of the proposed economic, human,
 217 community, and physical development and related activities.

218 (i) Identify baselines, methods, and benchmarks for
 219 measuring the success of carrying out the strategic plan.

220 Section 6. Sections 290.00681 and 290.00682, Florida
 221 Statutes, are created to read:

222 290.00681 Super enterprise zone pilot project;
 223 designation; future repeal and revocation.--

224 (1) The office shall designate the area in Miami-Dade
 225 County bordered by Northwest 23rd Street on the North, Northwest
 226 5th Street on the South, Northeast 1st Avenue on the East, and
 227 Northwest 8th Avenue on the West as a pilot project for a super
 228 enterprise zone for a 10-year period. To qualify as a super
 229 enterprise zone an area must:

230 (a) Be located in an enterprise zone and be no larger than
 231 3 contiguous square miles.

232 (b) Have an average unemployment rate four times greater
 233 than the state average.

234 (c) Have a minimum of 40 percent of residents living below
 235 the federal poverty level.

236 (d) Have general distress of business and residential
 237 property such that the local governing body by resolution has
 238 determined that the buildings are substandard, unsafe,
 239 unsanitary, dilapidated, or obsolete, or any combination of such
 240 conditions, and are detrimental to the safety, health, and
 241 welfare of the community.

242 (e) Demonstrate evidence of significant job loss or
 243 dislocation in the area.

244
 245 In determining whether an area meets the unemployment, poverty,
 246 and general distress criteria of this subsection, the office
 247 shall use data from the most current decennial census and from
 248 information published by the Bureau of the Census and the Bureau
 249 of Labor Statistics. The data shall be comparable in point or
 250 period of time and methodology employed.

251 (2) Any application for designation as a super enterprise
 252 zone must:

253 (a) Briefly describe the community's goals for
 254 revitalizing the area and include a development plan.

255 (b) Describe the ways in which the community's approach to
 256 economic development, social and human services, transportation,
 257 housing, community development, public safety, and educational
 258 and environmental concerns will be addressed in a coordinated
 259 fashion and explain how these linkages support the community's
 260 goals.

261 (c) Identify and describe key community goals and the
 262 barriers that restrict the community from achieving these goals.

263 (d) Identify the amount of local and private support and
 264 resources that will be available.

265 (e) Identify baselines, methods, and benchmarks for
 266 measuring success.

267 (f) Include written approval from any associated county
 268 office and mayor's office.

269 (3) This section is repealed June 30, 2020, and any
 270 designation made pursuant to this section shall be revoked on
 271 that date.

272 290.00682 Super enterprise zones; business
 273 certification.--

274 (1) A certified business is eligible for the tax
 275 exemptions provided in s. 212.08(19). To qualify as a certified
 276 business, receive an exemption certificate, and continue to
 277 receive the tax exemptions provided in s. 212.08(19), a business
 278 must:

279 (a) File an application for certification with the local
280 enterprise zone development agency. The application shall be
281 filed no later than September 1 preceding the calendar year for
282 which the business is seeking an exemption.

283 (b) Operate and be located within a designated super
284 enterprise zone.

285 (c) Create new employment within the super enterprise zone
286 while not causing unemployment elsewhere in the state.

287 (d) Certify to the best of the business' knowledge that
288 the business has no delinquent federal or state tax obligations.

289 (e) Demonstrate that no less than 20 percent of its
290 employees are residents of the designated super enterprise zone
291 or an enterprise zone located within the same county. The
292 employment requirement may be waived by the local enterprise
293 zone development agency for good cause.

294 (2) A local enterprise zone development agency may certify
295 a business as eligible for the exemptions under s. 212.08(19)
296 annually if the business meets the requirements in subsection
297 (1). Each local enterprise zone development agency shall
298 annually provide the local governmental entity, the office, and
299 the Department of Revenue with a list of new and existing
300 certified businesses. The Department of Revenue shall annually
301 issue a tax exemption certificate to each business holding an
302 exemption certificate issued by the local enterprise zone
303 development agency. The certificate shall be good for one
304 calendar year.

305 (3) A local enterprise zone development agency may
306 disqualify a certified business at any time if the business

307 fails to meet the requirements of subsection (1). A business
 308 that makes a fraudulent claim under this section or for tax
 309 exemptions provided in s. 212.08(19) shall be liable for the
 310 payment of the tax due, together with the penalties set forth in
 311 s. 212.085, and as otherwise provided by law.

312 (4) This section is repealed June 30, 2020, and any
 313 certification made pursuant to this section shall be revoked on
 314 that date.

315 Section 7. Section 290.007, Florida Statutes, is amended
 316 to read:

317 290.007 State incentives available in enterprise zones and
 318 super enterprise zones.--

319 (1) The following incentives are provided by the state to
 320 encourage the revitalization of enterprise zones:

321 (a)~~(1)~~ The enterprise zone jobs credit provided in s.
 322 220.181.

323 (b)~~(2)~~ The enterprise zone property tax credit provided in
 324 s. 220.182.

325 (c)~~(3)~~ The community contribution tax credits provided in
 326 ss. 212.08, 220.183, and 624.5105.

327 (d)~~(4)~~ The sales tax exemption for building materials used
 328 in the rehabilitation of real property in enterprise zones
 329 provided in s. 212.08(5)(g).

330 (e)~~(5)~~ The sales tax exemption for business equipment used
 331 in an enterprise zone provided in s. 212.08(5)(h).

332 (f)~~(6)~~ The sales tax exemption for electrical energy used
 333 in an enterprise zone provided in s. 212.08(15).

334 (g)~~(7)~~ The enterprise zone jobs credit against the sales
 335 tax provided in s. 212.096.

336 (h)~~(8)~~ Notwithstanding any law to the contrary, the Public
 337 Service Commission may allow public utilities and
 338 telecommunications companies to grant discounts of up to 50
 339 percent on tariffed rates for services to small businesses
 340 located in an enterprise zone designated pursuant to s.
 341 290.0065. Such discounts may be granted for a period not to
 342 exceed 5 years. For purposes of this paragraph ~~subsection~~, the
 343 term "public utility" has the same meaning as in s. 366.02(1)
 344 and the term "telecommunications company" has the same meaning
 345 as in s. 364.02(14).

346 (2) The following incentives are provided by the state to
 347 encourage the revitalization of super enterprise zones:

348 (a) The sales tax exemption for certified businesses
 349 provided in s. 212.08(19)(a)1.

350 (b) The sales tax exemption for retail sales by certified
 351 businesses provided in s. 212.08(19)(a)2.

352 Section 8. Effective July 1, 2020, section 290.007,
 353 Florida Statutes, as amended by this act, is amended to read:

354 290.007 State incentives available in enterprise zones ~~and~~
 355 ~~super enterprise zones.~~ --

356 ~~(1)~~ The following incentives are provided by the state to
 357 encourage the revitalization of enterprise zones:

358 (1)~~(a)~~ The enterprise zone jobs credit provided in s.
 359 220.181.

360 (2)~~(b)~~ The enterprise zone property tax credit provided in
 361 s. 220.182.

362 (3)~~(e)~~ The community contribution tax credits provided in
 363 ss. 212.08, 220.183, and 624.5105.

364 (4)~~(d)~~ The sales tax exemption for building materials used
 365 in the rehabilitation of real property in enterprise zones
 366 provided in s. 212.08(5)(g).

367 (5)~~(e)~~ The sales tax exemption for business equipment used
 368 in an enterprise zone provided in s. 212.08(5)(h).

369 (6)~~(f)~~ The sales tax exemption for electrical energy used
 370 in an enterprise zone provided in s. 212.08(15).

371 (7)~~(g)~~ The enterprise zone jobs credit against the sales
 372 tax provided in s. 212.096.

373 (8)~~(h)~~ Notwithstanding any law to the contrary, the Public
 374 Service Commission may allow public utilities and
 375 telecommunications companies to grant discounts of up to 50
 376 percent on tariffed rates for services to small businesses
 377 located in an enterprise zone designated pursuant to s.
 378 290.0065. Such discounts may be granted for a period not to
 379 exceed 5 years. For purposes of this subsection ~~paragraph~~, the
 380 term "public utility" has the same meaning as in s. 366.02(1)
 381 and the term "telecommunications company" has the same meaning
 382 as in s. 364.02(14).

383 ~~(2) The following incentives are provided by the state to
 384 encourage the revitalization of super enterprise zones:~~

385 ~~(a) The sales tax exemption for certified businesses
 386 provided in s. 212.08(19)(a)1.~~

387 ~~(b) The partial sales tax exemption for retail sales by
 388 certified businesses provided in s. 212.08(19)(a)2.~~

389 Section 9. Prior to the 2014 Regular Session of the
390 Legislature, the Office of Program Policy Analysis and
391 Government Accountability shall conduct an interim review and
392 evaluation of the effectiveness and viability of the super
393 enterprise zone designated under s. 290.00681, Florida Statutes.
394 The office shall specifically evaluate whether relief from the
395 specified taxes caused or induced new investment and development
396 in the super enterprise zone; increased the number of jobs
397 created or retained in the super enterprise zone; caused or
398 induced the renovation, rehabilitation, restoration,
399 improvement, or new construction of businesses or housing within
400 the super enterprise zone; or contributed to the economic
401 viability and profitability of business and commerce located
402 within the super enterprise zone. The office shall submit a
403 report of its findings and recommendations to the Speaker of the
404 House of Representatives and the President of the Senate no
405 later than December 1, 2013. In 2019, the office shall conduct a
406 final review in accordance with this section and shall make a
407 final report to the President of the Senate and Speaker of the
408 House of Representatives no later than December 1, 2019.

409 Section 10. Except as otherwise expressly provided in this
410 act, this act shall take effect July 1, 2007.