

By Senator Ring

32-1932-07

1                                   A bill to be entitled  
2           An act relating to venture capital funds;  
3           creating s. 288.9621, F.S.; providing a short  
4           title; creating s. 288.9622, F.S.; providing  
5           legislative findings and intent; creating s.  
6           288.9623, F.S.; providing definitions; creating  
7           s. 288.9624, F.S.; creating the SURE Trust as a  
8           state beneficiary public trust; requiring  
9           Enterprise Florida, Inc., to provide  
10          administrative support to the trust and be its  
11          successor in interest; providing for  
12          administration by a board of trustees;  
13          providing for appointment of board trustees;  
14          providing for terms; providing for service  
15          without compensation; providing for  
16          reimbursement for travel and other expenses;  
17          providing criteria for trustees; providing  
18          powers and duties of trustees; providing for  
19          hiring employees; providing for meetings of the  
20          board; creating s. 288.9625, F.S.; authorizing  
21          the trust to receive, hold, use, transfer, and  
22          sell certain tax credits for certain purposes;  
23          providing requirements and limitations;  
24          authorizing the Department of Revenue to adopt  
25          rules for certain purposes; creating s.  
26          288.9626, F.S.; requiring Enterprise Florida,  
27          Inc., to facilitate establishment of the SURE  
28          Venture Capital Fund; specifying criteria of  
29          the fund; providing for appointment of a board  
30          of trustees selection committee; providing for  
31          selection of a board of directors of the fund

1 by Enterprise Florida, Inc.; specifying  
2 criteria; providing for terms and requirements  
3 of the directors; providing purposes of the  
4 fund; providing duties and responsibilities of  
5 the fund; authorizing the fund to charge a  
6 management fee for certain purposes; providing  
7 for reimbursement for travel and other direct  
8 expenses; providing for powers of the fund;  
9 providing investment requirements for the fund;  
10 requiring the board of directors to issue an  
11 annual report on the activities of the fund;  
12 providing report requirements; creating s.  
13 288.9628, F.S.; creating the Institute for the  
14 Commercialization of Public Research; providing  
15 legislative intent; providing that the purpose  
16 of the institute is to commercialize the  
17 products of public research; providing  
18 responsibilities of the institute; prohibiting  
19 the institute from having any interest in any  
20 product supported by the institute; providing  
21 appropriations; providing an effective date.

22  
23 Be It Enacted by the Legislature of the State of Florida:

24  
25 Section 1. Sections 288.9621, 288.9622, 288.9623,  
26 288.9624, 288.9625, 288.9626, and 288.9628, Florida Statutes,  
27 are created to read:

28 288.9621 Short title.--Sections 288.9621-288.9628 may  
29 be cited as the "SURE Venture Capital Act."

30 288.9622 Findings and intent.--  
31

1           (1) The Legislature finds and declares that there is  
2 need to increase the availability of seed capital and early  
3 stage venture equity capital for emerging companies in this  
4 state which are commercializing state university research,  
5 technology, or patents, or commercializing in this state any  
6 other state-supported research organization's technology,  
7 products, or patents, including, without limitation,  
8 enterprises in life sciences, information technology, advanced  
9 manufacturing processes, aviation and aerospace, and homeland  
10 security and defense, as well as other strategic technologies.

11           (2) It is the intent of the Legislature that ss.  
12 288.9621-288.9628 serve to mobilize investment in a broad  
13 variety of Florida-based, new technology companies within  
14 diversified industries; retain private-sector-investment  
15 criteria focused on rate of return; use the services of a  
16 highly qualified manager in the venture capital industry;  
17 facilitate the organization of the SURE Venture Capital Fund  
18 as a coinvestor in seed and early stage companies; market  
19 products developed in state universities and other publicly  
20 funded entities located in this state; and precipitate capital  
21 investment and extensions of credit to and in the Sure Venture  
22 Capital Fund, and it is the further intent of the Legislature  
23 that an institute be created to mentor, market, and attract  
24 capital to such commercialization ventures.

25           (3) It is the intent of the Legislature to mobilize  
26 venture equity capital for investment in such a manner as to  
27 result in a significant potential to create new businesses and  
28 jobs in this state which are based on high-growth-potential  
29 technologies, products, or services and which will further  
30 diversify the economy of this state.

31

1           288.9623 Definitions.--As used in ss.

2 288.9621-288.9628:

3           (1) "Board" means the board of trustees of the SURE  
4 Trust.

5           (2) "Certificate" means a contract between the trust  
6 and a designated investor or lender evidencing the terms of a  
7 guarantee or incentive granted to a designated investor.

8           (3) "Designated investor" means a person, other than  
9 the board, who purchases an equity interest in the SURE  
10 Venture Capital Fund, or who is a party to a certificate, or  
11 who is a lender to the SURE Venture Capital Fund.

12           (4) "SURE Trust" or "trust" means a state beneficiary  
13 public trust created under ss. 288.9621-288.9628.

14           (5) "SURE Venture Capital Fund" or "fund" means the  
15 private, for-profit limited liability company in which a  
16 designated investor purchases an equity interest or to which a  
17 designated investor extends credit.

18           (6) "Tax credit" means a contingent tax credit issued  
19 under ss. 288.9621-288.9628 or subsequent legislative action  
20 which is available to offset tax liabilities imposed by this  
21 state if the proceeds of the tax are payable to the General  
22 Revenue Fund. A tax credit is not eligible to offset tax  
23 liabilities imposed by a political subdivision within this  
24 state.

25           288.9624 SURE Trust.--

26           (1) PUBLIC TRUST.--The SURE Trust is created as a  
27 state beneficiary public trust to be administered by the  
28 board. The exercise by the board of powers conferred by this  
29 part is deemed and held to be the performance of essential  
30 public purposes.

31           (2) PUBLIC RECORDS AND MEETINGS.--

1       (a) The trust is not a unit of state government or a  
2 political subdivision of the state. However, the Legislature  
3 declares that the trust is subject to s. 24, Art. I of the  
4 State Constitution and chapter 119, relating to public  
5 records, and the provisions of chapter 286 relating to public  
6 meetings and records. Furthermore, all officers, trustees, and  
7 employees of the trust must comply with the code of ethics for  
8 public officers and employees under part III of chapter 112.

9       (b) The trust must establish at least one corporate  
10 office in this state and appoint a registered agent.

11       (c) The trust may hire or contract for all personnel  
12 necessary to properly execute the powers and duties bestowed  
13 upon it within the funds appropriated to implement ss.  
14 288.956-288.9566. Using funds appropriated to implement this  
15 section, the trust may not expend more than \$1 million each  
16 year for personnel and necessary administrative expenditures,  
17 including, but not limited to, travel and per diem, legal  
18 fees, consultant's fees, rents and utilities, and audit fees.

19       (d) Subject to appropriations, Enterprise Florida,  
20 Inc., shall provide administrative support to the trust as  
21 requested by the trust. If the trust is dissolved, Enterprise  
22 Florida, Inc., becomes the trust's successor in interest and  
23 assumes all rights, duties, and obligations of the trust under  
24 any contract to which the trust is then a party and under law.

25       (3) PURPOSE.--The trust shall be organized to receive,  
26 hold, invest, administer, and disburse funds appropriated by  
27 the Legislature.

28       (4) BOARD; MEMBERSHIP.--The trust shall be governed by  
29 a board of trustees.

30       (a) The board of trustees shall consist of nine voting  
31 trustees, of whom the Governor shall appoint three, the

1 President of the Senate shall appoint three, and the Speaker  
2 of the House of Representatives shall appoint three.

3 (b) As a candidate to be selected to the board of  
4 trustees, an individual must have prior experience with and  
5 demonstrated expertise and competence in early stage business  
6 investment, corporate management, the supervision of early  
7 stage investment managers, venture capital investment,  
8 management of entrepreneurial companies, the fiduciary  
9 management of investment funds, and the commercialization of  
10 research products. The individual must also demonstrate  
11 competence with respect to the administration and management  
12 of a publicly listed company, or experience and competence in  
13 public accounting, auditing, and fiduciary responsibilities. A  
14 trustee may not have an ownership interest in any entity to  
15 which a certificate is issued or have any business  
16 relationship with any investment manager hired by SURE Venture  
17 Capital Fund.

18 (c) Each trustee of the board of trustees shall be  
19 appointed to a term of 4 years, except that for the initial  
20 appointments the Governor, the President of the Senate, and  
21 the Speaker of the House of Representatives shall each appoint  
22 one trustee for a term of 1 year, one trustee for a term of 2  
23 years, and one trustee for a term of 4 years in order to  
24 achieve staggered terms among the trustees of the board. A  
25 trustee is not eligible for reappointment to the board, except  
26 that a trustee appointed to an initial term of 1 year or 2  
27 years may be reappointed for an additional term of 4 years,  
28 and a person appointed to fill a vacancy having 2 years or  
29 less remaining on the term may be reappointed for an  
30 additional term of 4 years. The Governor, the President of the  
31 Senate, and the Speaker of the House of Representatives shall

1 make their initial appointments to the board by October 1,  
2 2007.

3 (d) The Governor, the President of the Senate, or the  
4 Speaker of the House of Representatives, respectively, shall  
5 fill a vacancy on the board of trustees, according to who  
6 appointed the trustee whose vacancy is to be filled or whose  
7 term has expired. A vacancy that occurs before the scheduled  
8 expiration of the term of the trustee shall be filled for the  
9 remainder of the unexpired term. A trustee whose term has  
10 expired shall continue to serve until his or her replacement  
11 has been appointed.

12 (e) Each trustee who is not otherwise required to file  
13 financial disclosure under s. 8, Art. II of the State  
14 Constitution or s. 112.3144, shall file disclosure of  
15 financial interests under s. 112.3145.

16 (f)1. A trustee appointed to the board must agree to  
17 refrain from having any direct interest in any contract,  
18 franchise, privilege, or other benefit arising from a project  
19 receiving financing from the board during the term of his or  
20 her appointment and for 2 years after the termination of the  
21 appointment.

22 2. If a trustee accepts a direct interest in any  
23 contract, franchise, privilege, or other benefit granted by  
24 the institution or affiliate within 2 years after the  
25 termination of his or her service on the board, the trustee  
26 commits a misdemeanor of the first degree, punishable as  
27 provided in s. 775.083 or s. 775.084.

28 (g) A trustee may not receive compensation for his or  
29 her services, but is entitled to receive reimbursement for  
30 necessary expenses, including travel and per diem expenses,  
31 incurred in the performance of his or her duties.

1           (h) A trustee is accountable for the proper  
2 performance of the duties of office, and each trustee owes a  
3 fiduciary duty to the people of the state to ensure that funds  
4 provided in furtherance of ss. 288.9621-288.9628 are disbursed  
5 and used as prescribed by law and contract and in the best  
6 interests of the state.

7           (i) The Governor, the President of the Senate, or the  
8 Speaker of the House of Representatives, according to which  
9 officer appointed the trustee, may remove a trustee for  
10 malfeasance, misfeasance, neglect of duty, incompetence,  
11 permanent inability to perform official duties, unexcused  
12 absence from three consecutive meetings of the board, arrest  
13 or indictment for a crime that is a felony or a misdemeanor  
14 involving theft or a crime of dishonesty, or pleading nolo  
15 contendere to, or being found guilty of, any crime.

16           (5) ORGANIZATION; MEETINGS.--

17           (a)1. The board of trustees shall annually elect a  
18 chairperson and a vice chairperson from among the board's  
19 trustees. The trustees may, by a vote of five of the nine  
20 board trustees, remove a trustee from the position of  
21 chairperson or vice chairperson before the expiration of his  
22 or her term as chairperson or vice chairperson. His or her  
23 successor shall be elected to serve for the balance of the  
24 removed chairperson's or vice chairperson's term.

25           2. The chairperson is responsible for ensuring that  
26 records are kept of the proceedings of the board of trustees  
27 and is the custodian of all books, documents, and papers filed  
28 with the board; the minutes of meetings of the board; and the  
29 official seal of the trust.

30           (b)1. The board of trustees shall meet upon the call  
31 of the chairperson or at the request of a majority of the



1 trustees, but not less than twice each calendar year if a  
2 request for a coinvestment under this section is pending.

3 2. A majority of the voting trustees of the board  
4 constitutes a quorum. Except as otherwise provided in this  
5 section, the board may take official action by a majority vote  
6 of the trustees present at any meeting at which a quorum is  
7 present. Trustees may not vote by proxy.

8 3. A trustee may participate in a meeting of the board  
9 by telephone or videoconference through which each trustee may  
10 hear every other trustee.

11 (6) POWERS AND DUTIES.--The trust shall be organized  
12 to receive, hold, invest, administer, and disburse funds  
13 appropriated by the Legislature and shall disburse any income  
14 generated from the investment of these funds consistent with  
15 the purpose and provisions of ss. 288.9621-288.9628. In  
16 addition to the powers and duties prescribed in chapter 617  
17 and the articles and bylaws adopted under that chapter, the  
18 trust:

19 (a) May make and enter into contracts and assume any  
20 other functions that are necessary to carry out this section.

21 (b) May enter into leases and contracts for the  
22 purchase of real property and hold notes, mortgages,  
23 guarantees, or security agreements to secure the performance  
24 of a contract.

25 (c) May perform all acts and things necessary or  
26 convenient to carry out the powers expressly granted in ss.  
27 288.9621-288.9628 and a contract entered into between the  
28 trust and a coinvestor.

29 (d) May make expenditures from funds provided by this  
30 state, including any necessary administrative expenditures  
31 consistent with its powers.

1           (e) Shall indemnify, and purchase and maintain  
2 insurance on behalf of, trustees, officers, and employees of  
3 the trust against any personal liability or accountability.

4           (f) Shall disburse funds under this section and a  
5 contract entered into between the trust and a coinvestor.

6           (g) Shall receive and review reports and financial  
7 documentation provided by a coinvestor to ensure compliance  
8 with ss. 288.9621-288.9626 and the contract.

9           (h) Shall prepare an annual report as prescribed in  
10 subsection (8).

11           (i) May accept gifts, grants, donations, in-kind  
12 services, or other goods and services for carrying out its  
13 purposes.

14           (6) INVESTMENT OF FUNDS.--The trust must enter into an  
15 agreement with the State Board of Administration under which  
16 funds received by the trust which are not disbursed to a  
17 university or invested must be invested by the State Board of  
18 Administration on behalf of the trust. Funds shall be invested  
19 in suitable instruments authorized under s. 215.47 and  
20 specified in investment guidelines established and agreed to  
21 by the State Board of Administration and the trust.

22           (7) ANNUAL REPORT.--By December 1 of each year, the  
23 trust shall prepare a report of the activities and outcomes of  
24 the trust and submit the report to the Governor, the President  
25 of the Senate, and the Speaker of the House of  
26 Representatives. The report, at a minimum, must include:

27           (a) An accounting of the amount of grants and  
28 proposals awarded and disbursed during the preceding fiscal  
29 year by project and university.

30           (b) Information concerning the amount and nature of  
31 economic activity in this state generated through university

1 and other state-supported research projects receiving funding  
2 from the trust.

3 (c) Project summaries of the information reported by  
4 grant recipients in paragraph (b).

5 (d) A description of the benefits to this state  
6 resulting from the trust program, including the number of  
7 businesses created, associated industries started, and the  
8 growth of related research projects.

9 (e) An independent audit of the trust's receipts and  
10 expenditures during the preceding fiscal year for personnel,  
11 administration, and operational costs of the trust.

12 (f) A description of those projects supported by the  
13 trust in which two or more universities are working  
14 cooperatively together to avoid duplicating the activities,  
15 programs, and functions of the cooperating universities and to  
16 leverage the expertise offered by other universities.

17 (8) LIABILITY.--

18 (a) The appropriation or disbursement of funds under  
19 this section does not constitute a debt, liability, or  
20 obligation of the state or any political subdivision thereof,  
21 or the trust or a pledge of the faith and credit of the state  
22 or of any political subdivision.

23 (b) The appropriation or disbursement of funds under  
24 this section does not subject the state, any political  
25 subdivision, or the trust to liability related to the research  
26 activities and research products that receive funding under  
27 this section.

28 (9) DEBT.--The trust may not incur debt. This  
29 prohibition includes long-term leases, promissory notes,  
30 loans, lease-purchase agreements, certificates of  
31 participation, the sale of bonds or revenue bonds, and the

1 award or commitment to awards in excess of the unencumbered  
2 cash balance in the SURE Venture Capital Fund.

3 (10) ACTIVITIES.--The board may engage consultants,  
4 expend funds, invest funds, contract, bond or insure against  
5 loss, provide guarantees or other incentives, hold  
6 transferable tax credits, sell tax credits, or enter into any  
7 financial or other transaction or perform any other act  
8 necessary to carry out its purpose under ss.  
9 288.9621-288.9628.

10 (11) TAX CREDITS.--The board, in conjunction with the  
11 Department of Revenue, shall develop a system for registration  
12 of any tax credits received by the trust and transferred under  
13 ss. 288.9621-288.9628. The board shall also create a system of  
14 documentation that permits verification that any tax credit  
15 claimed upon a tax return is validly held by the person  
16 claiming such tax credit and properly taken in the year of  
17 claim and that any transfers of the tax credit are made in  
18 accordance with the requirements of ss. 288.9621-288.9628.

19 (12) EMPLOYEES.--If the board elects to hire  
20 employees, such persons shall be selected by the board based  
21 upon knowledge and leadership in the field for which the  
22 person performs services for the board. The board shall charge  
23 fees for its guarantees to designated investors or for other  
24 services such that the board's operations may be conducted  
25 without subsequent legislative appropriation.

26 288.9625 Issuance of tax credits.--

27 (1) The trust shall receive and hold for the purposes  
28 of ss. 288.9621-288.9628 tax credits that may be used to  
29 reduce any tax liability imposed by the state under chapter  
30 212, chapter 220, s. 624.509, or s. 624.510. The total amount  
31 of tax credits issued and transferred to the trust is \$35

1 million. The tax credits shall be transferable by the board as  
2 provided in this section if such transferred tax credit is not  
3 exercisable before July 1, 2012, or after July 1, 2037.

4 (2) The board may transfer and sell tax credits solely  
5 for the purpose of fulfilling, in whole or in part, any  
6 certificate obligation issued by the board. The board shall  
7 immediately notify the Governor, the President of the Senate,  
8 the Speaker of the House of Representatives, and the  
9 Department of Revenue, in writing, if any tax credit is  
10 transferred. The board shall be notified immediately of any  
11 transfers of tax credits by persons or businesses other than  
12 the board and shall notify the Department of Revenue, in  
13 writing, of such transfers.

14 (3)(a) The board shall ensure that no more than \$10  
15 million in tax credits is transferred, which may be claimed  
16 and used to reduce taxes payable to the General Revenue Fund  
17 for any single state fiscal year. The board shall clearly  
18 indicate upon the face of the document transferring the tax  
19 credit the principal amount of the tax credit and the state  
20 fiscal year or years during which the credit may be claimed.

21 (b) Tax credits may be transferred in increments of no  
22 less than \$100,000. A copy of the document transferring the  
23 tax credit shall be transmitted to the executive director of  
24 the Department of Revenue, who shall allow the credit to be  
25 claimed against tax liabilities of the person or business  
26 consistent with the terms appearing in the transfer document.

27 (4) If the tax liabilities of the taxpayer are  
28 insufficient to exhaust the tax credit for which the taxpayer  
29 is eligible, the balance of the tax credit may be refunded by  
30 the state. If a tax credit granted under this section is not  
31 claimed in the year designated for claiming the credit on the

1 transfer document, any return for the year in which the credit  
2 was eligible to be claimed may be amended to claim the credit  
3 within the time specified by ss. 95.091 and 215.26.

4 (5) Persons or businesses to which tax credits under  
5 this section are transferred shall retain documentation  
6 supporting eligibility to claim the tax credits and evidence  
7 of the transfer of the tax credits, if applicable, until the  
8 time provided to audit the tax returns on which the tax  
9 credits were claimed has passed.

10 (6) The Department of Revenue, in conjunction with the  
11 board, may adopt rules governing the manner and form of  
12 documentation required to claim tax credits granted or  
13 transferred under this section and may establish guidelines as  
14 to the requisites for an affirmative showing of qualification  
15 for tax credits granted or transferred under this section.

16 (7) An insurance company claiming a credit against  
17 premium tax liability under this section is not required to  
18 pay any additional retaliatory tax levied pursuant to s.  
19 624.5091 as a result of claiming such credit. Because credits  
20 under this section are available to an insurance company, s.  
21 624.5091 does not limit such credit in any manner.

22 (8) Any original sale of tax credits by the board  
23 shall be by competitive bidding unless the sale is for the  
24 full face value of the credits.

25 288.9626 SURE Venture Capital Fund.--

26 (1)(a) At the request of the board, Enterprise  
27 Florida, Inc., shall facilitate the creation of the SURE  
28 Venture Capital Fund, a private corporation. Enterprise  
29 Florida, Inc., shall be the corporation's sole shareholder or  
30 member. The corporation is not a public corporation or  
31 instrumentality of the state.

1           (b) The purpose of the SURE Venture Capital Fund is to  
2 select an early stage venture capital investment advisor,  
3 negotiate for investment capital or loan proceeds from  
4 private, institutional, or banking sources having the benefit  
5 of guarantees from the SURE Trust and coinvest capital in  
6 companies in this state which are accepted into or promoted by  
7 the Institute for the Commercialization of Public Research.  
8 The fund shall manage its business affairs and conduct  
9 business consistent with its organizational documents and the  
10 purposes set forth in this section.

11           (2)(a) The vice chair of Enterprise Florida, Inc.,  
12 shall select from among its sitting board of directors a  
13 five-person appointment committee. The appointment committee  
14 shall select five initial members of a board of directors for  
15 the fund.

16           (b) The persons elected to the initial board of  
17 directors by the appointment committee shall include persons  
18 who have expertise in the area of the selection and  
19 supervision of early stage investment managers or in the  
20 fiduciary management of investment funds and other areas of  
21 expertise as considered appropriate by the appointment  
22 committee.

23           (c) After election of the initial board of directors,  
24 vacancies on the board shall be filled by vote of the board of  
25 directors of Enterprise Florida, Inc., and board members shall  
26 serve terms as provided in the fund's organizational  
27 documents.

28           (d) Members of the board are subject to any  
29 restrictions on conflicts of interest specified in the  
30 organizational documents and may not have an interest in any  
31 venture capital investment selected by the corporation under

1 ss. 288.9621-288.9628 or in any investments made by the SURE  
2 Venture Capital Fund.

3 (3) The board shall organize the SURE Venture Capital  
4 Fund, select an early stage venture capital investment fund  
5 allocation manager, negotiate the terms of a contract with the  
6 SURE Venture Capital Fund allocation manager, execute the  
7 contract with the selected venture capital investment fund  
8 allocation manager on behalf of the SURE Venture Capital Fund,  
9 manage the business affairs of the SURE Venture Capital Fund,  
10 such as accounting, audit, insurance, and related  
11 requirements, and receive investment returns and reinvest the  
12 investment returns in the fund in order to provide additional  
13 venture capital investments designed to result in a  
14 significant potential to create new businesses and jobs in  
15 this state and further diversify the economy of this state.

16 (4) Upon organization, the board shall conduct a  
17 national solicitation for investment plan proposals from  
18 qualified venture capital investment fund allocation managers  
19 for the raising and investing of capital by the trust. Any  
20 proposed investment plan must address the applicant's level of  
21 experience, quality of management, investment philosophy and  
22 process, provability of success in fundraising, prior  
23 investment fund results, and plan for achieving the purposes  
24 of this act. The board shall select only venture capital  
25 investment fund managers having demonstrated expertise in the  
26 management of and investment in companies.

27 (5) The board may charge a management fee on assets  
28 under management in the fund. The fee shall be in addition to  
29 any fee charged to the fund by the venture capital investment  
30 fund allocation manager, but the fee shall be charged only to  
31 pay for reasonable and necessary costs of the fund.



1           (6) A member of the board of directors shall receive  
2 no compensation for his or her services, but is entitled to  
3 receive reimbursement for necessary expenses, including travel  
4 and per diem expenses, incurred in the performance of his or  
5 her duties.

6           (7) The fund shall have all powers granted under its  
7 organizational documents and shall indemnify members to the  
8 broadest extent permissible under the laws of this state.

9           (8)(a) The fund shall invest and emphasize investment  
10 in early stage venture capital funds focusing on opportunities  
11 in this state. The investments by the fund shall be in direct  
12 investments in individual businesses approved by the trust.  
13 The fund shall coinvest with other venture capital funds  
14 having experienced managers or management teams having  
15 demonstrated expertise and a successful history in the  
16 investment of early stage venture capital funds. The fund and  
17 its partners or shareholders may negotiate any and all terms  
18 and conditions for its investments, including drawback of  
19 management fees and other provisions that maximize investment  
20 in seed and early stage companies based in this state.

21           (b) The fund shall invest directly only in companies  
22 in this state which are accepted into or promoted by the  
23 Institute for the Commercialization of Public Research. The  
24 fund shall invest only if additional private capital is  
25 invested in an amount equal to or greater than the investment  
26 of the fund, only if the fund's reasonable due diligence  
27 determines that the company is viable and has prospects for  
28 profitable operations, and only if the company has manifested  
29 its intent to remain located in this state. Not more than 15  
30 percent of the fund's assets may be invested in one company  
31 project.

1           (9) If the fund is liquidated or has returned all  
2 capital to designated investors in accordance with contractual  
3 agreements, or if the guarantee capacity of the corporation,  
4 at the sole discretion of the board, is sufficient for  
5 additional certificates, a new funding of the SURE Venture  
6 Capital Fund may be implemented for subsequent venture capital  
7 investments. If the board takes exception to an additional  
8 funding, such additional funding may be implemented only  
9 without the benefit of certificates from the board.

10           (10) The board shall issue an annual report concerning  
11 the activities conducted by the SURE Venture Capital Fund and  
12 present the report to the Governor, the President of the  
13 Senate, and the Speaker of the House of Representatives. The  
14 annual report must include, but need not be limited to, a copy  
15 of the independent audit of the fund and a valuation of the  
16 assets of the fund, the number of investments made or  
17 committed during the fiscal year, the amount of debt or  
18 capital in or committed to the fund for which certificates  
19 have been issued by the board, and a general description of  
20 the companies receiving investment by the fund and their  
21 associated industry. The annual report shall also describe any  
22 sale of tax certificates and any sale of tax certificates  
23 which is reasonably anticipated by the board in order to meet  
24 its certificate obligations.

25           288.9628 Institute for the Commercialization of Public  
26 Research.--There is established the Institute for the  
27 Commercialization of Public Research.

28           (1) It is the intent of the Legislature that the  
29 Institute for the Commercialization of Public Research be  
30 established at a public university in south Florida.  
31 Enterprise Florida, Inc., shall issue a request for proposals

1 to public universities in south Florida requesting proposals  
2 to fulfill the purposes of the institute as described in this  
3 section. Enterprise Florida, Inc., shall review the proposals  
4 in a committee appointed by its board of directors which shall  
5 make a recommendation for final selection. Final approval of  
6 the selected proposal must be by the board of directors of  
7 Enterprise Florida, Inc., at one of its duly noticed meetings.

8 (2)(a) The purpose of the institute is to assist in  
9 the commercialization of products developed by the research  
10 and development activities of publicly supported universities  
11 and colleges, research institutes, and other publicly  
12 supported organizations within the state.

13 (b) To be eligible for assistance, the company or  
14 organization attempting to commercialize its product must be  
15 accepted by the institute before receiving the institute's  
16 assistance. The institute shall receive recommendations from  
17 any publicly supported organization that a company that is  
18 commercializing the research, technology, or patents from a  
19 qualifying publicly supported organization should be accepted  
20 into the institute.

21 (c) The institute shall thereafter review the business  
22 plans and technology information of each such recommended  
23 company. If accepted, the institute shall mentor the company,  
24 develop marketing information on the company, and use its  
25 resources to attract capital investment into the company, as  
26 well as bring other resources to the company which may foster  
27 its effective management, growth, capitalization, technology  
28 protection, marketing or business success.

29 (3) The institute shall:

30 (a) Maintain a centralized location to showcase  
31 companies and their technologies and products;

1           (b) Develop an efficient process to inventory and  
2 publicize companies and products that have been accepted by  
3 the institute for commercialization;

4           (c) Routinely communicate with private investors and  
5 venture capital organizations regarding the investment  
6 opportunities in its showcased companies;

7           (d) Facilitate meetings between prospective investors  
8 and eligible organizations in the institute;

9           (e) Hire full-time staff who understand relevant  
10 technologies needed to market companies to the angel investors  
11 and venture capital investment community;

12           (f) Operate within an allocated annual budget of \$1  
13 million or less; and

14           (g) Develop cooperative relationships with publicly  
15 supported organizations all of which work together to provide  
16 resources or special knowledge that is likely to be helpful to  
17 institute companies.

18           (4) The institute may not develop or accrue any  
19 ownership, royalty, or other such rights over or interest in  
20 companies or products in the institute and shall maintain the  
21 secrecy of proprietary information.

22           (5) The institute may not charge for services rendered  
23 to state universities and affiliated organizations, community  
24 colleges, or state agencies.

25           Section 2. The nonrecurring sum of \$1 million is  
26 appropriated from the General Revenue Fund to the SURE Venture  
27 Capital Fund for the purpose of initiating activities  
28 necessary to implement its responsibilities under this act for  
29 the 2007-2008 fiscal year.

30           Section 3. The nonrecurring sum of \$1 million is  
31 appropriated from the General Revenue Fund to the Institute

1 for the Commercialization of Public Research for the purpose  
2 of initiating activities necessary to implement its  
3 responsibilities under this act for the 2007-2008 fiscal year.

4 Section 4. This act shall take effect July 1, 2007.

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7 SENATE SUMMARY

8 Provides legislative findings and intent. Creates the  
9 SURE Trust as a state beneficiary public trust. Provides  
10 for its administration by a board of trustees. Provides  
11 for appointment of board trustees. Provides the powers  
12 and duties of trustees. Authorizes the trust to receive,  
13 hold, use, transfer, and sell certain tax credits for  
14 certain purposes. Authorizes the Department of Revenue to  
15 adopt rules for certain purposes. Requires Enterprise  
16 Florida, Inc., to facilitate establishment of the SURE  
17 Venture Capital Fund. Specifies criteria for the fund.  
18 Provides for appointment of a board of trustees selection  
19 committee for the selection of a board of directors of  
20 the fund. Provides for the purposes of the fund.  
21 Authorizes the fund to charge a management fee for  
22 certain purposes. Provides investment requirements for  
23 the fund. Requires the board of directors to issue an  
24 annual report on the activities of the fund. Creates the  
25 Institute for the Commercialization of Public Research.  
26 Provides that the purpose and function of the fund is to  
27 commercialize the products of public research. Prohibits  
28 the institute from having any interest in any product  
29 supported by the institute.  
30  
31