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1 A bill to be entitled
2 An act relating to stimulating the economy; providing
3 legislative findings and intent; amending s. 215.44,
4 F.S.; adding economically targeted investments as an
5 asset class of investments in which the State Board of
6 Administration is authorized to invest; requiring that
7 the State Board of Administration's required report to
8 the Legislature include an analysis of economically
9 targeted investments; defining the term "economically
10 targeted investments"; amending s. 215.47, F.S.;
11 specifying a maximum amount of available funds that
12 the board may invest in economically targeted
13 investments; providing conditions under which the
14 board may invest in an economically targeted
15 investment; creating the Reusable Space Vehicle
16 Industry Prize Program within the Office of Tourism,
17 Trade, and Economic Development of the Executive
18 Office of the Governor; providing for a specified cash
19 prize to be awarded to the individual or firm
20 providing the most significant advancements within the
21 reusable space vehicle industry during a specified
22 period; requiring that the Lieutenant Governor serve
23 as chair of the program and appoint a committee;
24 requiring that the committee perform certain tasks;
25 requiring that the office adopt certain rules;
26 providing for the program to terminate on a specified
27 date; providing an effective date.

28

29 Be It Enacted by the Legislature of the State of Florida:

30

31 Section 1. The Legislature finds that prudent and sound
 32 economically targeted investments by the State Board of
 33 Administration of funds from the Florida Retirement System Trust
 34 Fund in business endeavors that have potential for high-growth
 35 and high-wage jobs will provide significant benefits to
 36 residents of this state and a variety of economic sectors. The
 37 Legislature further finds that such investment in economically
 38 targeted investments will create jobs and housing, improve the
 39 state's general infrastructure, and serve the broad interests of
 40 the beneficiaries of the trust fund. The Legislature also finds
 41 that economically targeted investments help promote the
 42 continued maintenance of employer contributions to the system by
 43 strengthening the economy and the well-being of employers.
 44 Therefore, it is a policy of this state that the State Board of
 45 Administration identify and invest in economically targeted
 46 investments if such investments are consistent with and do not
 47 compromise or conflict with the fiduciary obligations of the
 48 Florida State Retirement System to its participants, members, or
 49 beneficiaries.

50 Section 2. Subsection (5) of section 215.44, Florida
 51 Statutes, is amended to read:

52 215.44 Board of Administration; powers and duties in
 53 relation to investment of trust funds.--

54 (5) On or before January 1 of each year, the board shall
 55 provide to the Legislature a report including the following

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56 items for each fund which, by law, has been entrusted to the
57 board for investment:

58 (a) A schedule of the annual beginning and ending asset
59 values and changes and sources of changes in the asset value of:

60 1. Each fund managed by the board; and

61 2. Each asset class and portfolio within the Florida
62 Retirement System Trust Fund, including any economically
63 targeted investments;

64 (b) A description of the investment policy for each fund,
65 and changes in investment policy for each fund since the
66 previous annual report;

67 (c) A description of compliance with investment strategy
68 for each fund;

69 (d) A description of the risks inherent in investing in
70 financial instruments of the major asset classes held in the
71 fund; ~~and~~

72 (e) An analysis of the direct and indirect economic
73 benefits to this state resulting from any economically targeted
74 investments. As used in this subsection, the term "economically
75 targeted investments" mean a type of alternative investment in
76 business sectors that include, but are not limited to, aerospace
77 and aviation engineering, computer technology, renewable energy,
78 and medical and life sciences, and that are likely to stimulate
79 the regional and national economic development of this state;
80 and

81 (f)-(e) Other information deemed of interest by the
82 executive director of the board.

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83 Section 3. Present subsections (7) through (17) of section
84 215.47, Florida Statutes, are renumbered as subsections (8)
85 through (18), respectively, and a new subsection (7) is added to
86 that section, to read:

87 215.47 Investments; authorized securities; loan of
88 securities.--Subject to the limitations and conditions of the
89 State Constitution or of the trust agreement relating to a trust
90 fund, moneys available for investments under ss. 215.44-215.53
91 may be invested as follows:

92 (7) (a) With no more than 1 percent of the net asset value
93 of any fund, as measured on December 30 of the previous year, in
94 economically targeted investments as defined in s. 215.44(5)(e).

95 (b) The board shall invest in an economically targeted
96 investment if such investment is consistent with and does not
97 compromise or conflict with the fiduciary obligations of the
98 board to a fund's participants, members, or beneficiaries.

99 Section 4. Reusable Space Vehicle Industry Prize
100 Program.--

101 (1) The Legislature finds that awarding a prize for
102 achieving a specific goal stimulates entrepreneurial investment
103 in the state, which ultimately produces a significant monetary
104 return on the prize purse as well as considerable social
105 benefit.

106 (2) There is created within the Office of Tourism, Trade,
107 and Economic Development of the Executive Office of the Governor
108 a Reusable Space Vehicle Industry Prize Program.

109 (3) The program shall award a one-time cash prize in the
110 amount of \$40 million, including \$20 million in state funds and

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111 \$20 million in funds provided by private sponsors, to the firm
112 or individual in the private sector providing the most
113 significant advancements within the reusable space vehicle
114 industry during the period beginning January 1, 2009, and ending
115 January 1, 2014.

116 (4) The Lieutenant Governor of Florida shall serve as
117 chair of the program and appoint a committee for the purpose of
118 establishing or adopting an application form, criteria on which
119 the decision to award the prize will be based, and any other
120 rules or guidelines related to the entry, judging,
121 administration, or results of the prize program. The application
122 and all other information shall be posted on the website of the
123 Office of Tourism, Trade, and Economic Development on or before
124 January 1, 2009.

125 (5) The structure and operation of the program shall, to
126 the extent practicable, mirror the Ansari X Prize program as
127 awarded by the X PRIZE FOUNDATION on November 6, 2004.

128 (6) The Office of Tourism, Trade, and Economic Development
129 shall adopt rules necessary to administer the program.

130 (7) The program shall terminate January 2, 2014.

131 Section 5. This act shall take effect July 1, 2008.