



801046

CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
3/27/2008	.	
	.	
	.	

1 The Committee on Governmental Operations (Lawson) recommended the
 2 following **amendment**:

3
 4 Senate Amendment (with title amendment)
 5 Delete everything after the enacting clause
 6 and insert:

7 Section 1. The Legislature finds that financially prudent
 8 technology and growth investments by the State Board of
 9 Administration with funds from the Florida Retirement System
 10 Trust Fund has the potential for high-growth, high-wage jobs that
 11 will provide significant benefits to state residents and a
 12 variety of business sectors. The Legislature further finds that
 13 such investment will create jobs and housing, improve the state's
 14 general infrastructure, and serve the broad interests of the
 15 beneficiaries of the trust fund. The Legislature also finds that
 16 technology and growth investments help promote employer
 17 contributions to the system by strengthening the economy and the

Bill No. SB 2310



801046

18 well-being of employers. Therefore, it is a policy of this state
19 that the State Board of Administration identify and invest in
20 technology and growth investments if such investments are
21 consistent with and do not compromise or conflict with the
22 fiduciary duties of the State Board of Administration to the
23 participants, members, and beneficiaries of the Florida
24 Retirement System.

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

27 215.44 Board of Administration; powers and duties in
28 relation to investment of trust funds.--

29 (5) On or before January 1 of each year, the board shall
30 provide to the Legislature a report including the following items
31 for each fund which, by law, has been entrusted to the board for
32 investment:

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

35 1. Each fund managed by the board; and

36 2. Each asset class and portfolio within the Florida
37 Retirement System Trust Fund.†

38 (b) A description of the investment policy for each fund,
39 and changes in investment policy for each fund since the previous
40 annual report.†

41 (c) A description of compliance with investment strategy
42 for each fund.†

43 (d) A description of the risks inherent in investing in
44 financial instruments of the major asset classes held in the
45 fund.† and

46 (e) A summary of the type and amount of technology and
47 growth investments held by each fund.

Bill No. SB 2310



801046

48 (f)~~(e)~~ Other information deemed of interest by the
49 executive director of the board.

50 Section 3. Present subsections (7) through (17) of section
51 215.47, Florida Statutes, are renumbered as subsections (8)
52 through (18), respectively, new subsections (7) and (19) are
53 added to that section, and present subsection (14) of that
54 section is amended, to read:

55 215.47 Investments; authorized securities; loan of
56 securities.--Subject to the limitations and conditions of the
57 State Constitution or of the trust agreement relating to a trust
58 fund, moneys available for investments under ss. 215.44-215.53
59 may be invested as follows:

60 (7) The State Board of Administration, consistent with its
61 fiduciary duties, may invest up to 1.5 percent of the net assets
62 of the system trust fund in technology and growth investments of
63 businesses domiciled in this state or businesses whose principal
64 address is in this state. As used in this subsection, the term
65 "technology and growth investments" includes, but is not limited
66 to, aerospace and aviation engineering, computer technology,
67 renewable energy, and medical and life sciences.

68 (15)~~(14)~~ With no more, in the aggregate, than 10 5 percent
69 of any fund in alternative investments, as defined in s.
70 215.44(8)(c)1.a., through participation in the vehicles defined
71 in s. 215.44(8)(c)1.b., in securities or investments that are not
72 publicly traded and are not otherwise authorized by this section.

73 (19) The State Board of Administration may offer
74 opportunities to small, state-based investment management firms
75 to facilitate their development and growth.

76 Section 4. Section 215.474, Florida Statutes, is created to
77 read:

Bill No. SB 2310



801046

78 215.474 Analyses of technology and growth investments.--The
79 Office of Program Policy Analysis and Government Accountability
80 shall perform an annual review of technology and growth
81 investments made by the State Board of Administration and submit
82 its findings to the State Board of Administration, the President
83 of the Senate, and the Speaker of the House of Representatives by
84 January 15 of each year. The office may consult with the board,
85 the Department of Revenue, the Office of Economic and Demographic
86 Research, and other entities as necessary to obtain and evaluate
87 the information requested. The annual review shall include:

88 (1) The dollar amount of technology and growth investments
89 made by the board during the previous year ending June 30 and the
90 investment's percentage share of the system trust fund's net
91 assets.

92 (2) A list of investments identified by the board as
93 technology and growth investments within each asset class.

94 (3) An analysis of the direct and indirect economic
95 benefits to the state resulting from the technology and growth
96 investments.

97 Section 5. Reusable Space Vehicle Industry Prize Program.--

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

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

105 (3) The program shall award a one-time cash prize in the
106 amount of \$40 million, including \$20 million in state funds and
107 \$20 million in funds provided by private sponsors, to the firm or



801046

108 individual in the private sector providing the most significant
109 advancements within the reusable space vehicle industry during
110 the period beginning January 1, 2009, and ending January 1, 2014.

111 (4) The Lieutenant Governor of Florida shall serve as chair
112 of the program and appoint a committee for the purpose of
113 establishing or adopting an application form, criteria for
114 awarding the prize, and any other rules or guidelines related to
115 the entry, judging, administration, or results of the program.
116 The application and all other information shall be posted on the
117 website of the Office of Tourism, Trade, and Economic Development
118 on or before January 1, 2009.

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

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

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

125 Section 6. This act shall take effect July 1, 2008.

126
127 ===== T I T L E A M E N D M E N T =====

128 And the title is amended as follows:

129 Delete everything before the enacting clause
130 and insert:

131 A bill to be entitled
132 An act relating to stimulating the economy; providing
133 legislative findings and intent; amending s. 215.44, F.S.;
134 requiring the State Board of Administration to report on
135 the amount and type of technology and growth investments
136 held by each fund; amending s. 215.47, F.S.; authorizing
137 the board to invest a certain percentage of net assets in

Bill No. SB 2310



801046

138 | technology and growth investments; increasing the
139 | percentage amount of alternative investments in any fund,
140 | including investments that are not publicly traded or
141 | specifically authorized; authorizing the board to offer
142 | opportunities to small state-based investment management
143 | firms; creating s. 215.474, F.S.; requiring the Office of
144 | Program Policy Analysis and Government Accountability to
145 | perform an annual review of technology and growth
146 | investments made by the board and report to the
147 | Legislature; creating the Reusable Space Vehicle Industry
148 | Prize Program within the Office of Tourism, Trade, and
149 | Economic Development of the Executive Office of the
150 | Governor; providing for a specified cash prize to be
151 | awarded to the individual or firm providing the most
152 | significant advancements within the reusable space vehicle
153 | industry during a specified period; requiring that the
154 | Lieutenant Governor serve as chair of the program and
155 | appoint a committee; requiring that the committee perform
156 | certain tasks; requiring that the office adopt certain
157 | rules; providing for the program to terminate on a
158 | specified date; providing an effective date.