

By Senator Ring

32-03008A-08

20082310__

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 the
12 board may invest in economically targeted investments;
13 providing conditions under which the board may invest
14 in an economically targeted investment; creating the
15 Reusable Space Vehicle Industry Prize Program within
16 the Office of Tourism, Trade, and Economic Development
17 of the Executive Office of the Governor; providing for
18 a specified cash prize to be awarded to the individual
19 or firm providing the most significant advancements
20 within the reusable space vehicle industry during a
21 specified period; requiring that the Lieutenant
22 Governor serve as chair of the program and appoint a
23 committee; requiring that the committee perform certain
24 tasks; requiring that the office adopt certain rules;
25 providing for the program to terminate on a specified
26 date; providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:
29

32-03008A-08

20082310__

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

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

51 215.44 Board of Administration; powers and duties in
52 relation to investment of trust funds.--

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

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

32-03008A-08

20082310__

59 1. Each fund managed by the board; and
60 2. Each asset class and portfolio within the Florida
61 Retirement System Trust Fund, including any economically targeted
62 investments;

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

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

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

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

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

81 Section 3. Present subsections (7) through (17) of section
82 215.47, Florida Statutes, are renumbered as subsections (8)
83 through (18), respectively, and a new subsection (7) is added to
84 that section, to read:

85 215.47 Investments; authorized securities; loan of
86 securities.--Subject to the limitations and conditions of the
87 State Constitution or of the trust agreement relating to a trust

32-03008A-08

20082310__

88 fund, moneys available for investments under ss. 215.44-215.53
89 may be invested as follows:

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

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

97 Section 4. 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
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 on which
114 the decision to award the prize will be based, and any other
115 rules or guidelines related to the entry, judging,
116 administration, or results of the prize program. The application

32-03008A-08

20082310__

117 and all other information shall be posted on the website of the
118 Office of Tourism, Trade, and Economic Development on or before
119 January 1, 2009.

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

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

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

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