

By Senator Posey

24-02715-08

20082426__

1 A bill to be entitled
2 An act relating to Space Florida; creating s. 288.1087,
3 F.S.; providing legislative intent; creating the Space and
4 Aerospace Development Infrastructure Enhancement Fund in
5 the Office of Tourism, Trade, and Economic Development;
6 providing for moneys from the funds to be distributed to
7 successful applicants to upgrade space-related
8 infrastructure, to enter into partnerships with applicable
9 businesses on space-related projects, or to provide
10 incentives for space-related ventures; requiring that
11 certain information be included in the application for
12 funding; requiring the Office of Tourism, Trade, and
13 Economic Development to contract with nationally
14 recognized economists to develop an economic impact
15 assessment model that evaluates the costs, benefits,
16 useful life, and other relevant factors related to space
17 and aerospace infrastructure projects; describing the
18 criteria by which the applicants will be judged as
19 eligible to receive funding; requiring the executive board
20 of Space Florida and the director of the Office of
21 Tourism, Trade, and Economic Development to recommend
22 approval or disapproval of proposed projects; providing
23 for the Governor to decide which proposed projects receive
24 Space and Aerospace Development Infrastructure Enhancement
25 Funds; requiring the director of the Office of Tourism,
26 Trade, and Economic Development and the successful
27 applicant to enter into a contract that sets forth the
28 conditions for receiving moneys from the fund; describing
29 the content of the contract; requiring Enterprise Florida,

24-02715-08

20082426__

30 Inc., to validate the performance of the contractor;
31 requiring that the validation be complete within a
32 specified time; providing an appropriation; providing a
33 contingent effective date.

34
35 Be It Enacted by the Legislature of the State of Florida:

36
37 Section 1. Section 288.1087, Florida Statutes, is created
38 to read:

39 288.1087 The Space and Aerospace Development Infrastructure
40 Enhancement Fund.--

41 (1) (a) The Legislature finds that attracting, retaining,
42 partnering with, and providing favorable conditions for space and
43 aerospace infrastructure and businesses that provide widespread
44 economic benefit to the public is in the state's best interest.
45 State investment in the space and aerospace industry can help
46 provide high-quality employment opportunities for residents of
47 this state, increase the tax base, invigorate the entrepreneurial
48 climate in the state through the resulting business and
49 employment opportunities, and stimulate and enhance the state's
50 universities and community colleges. In the global economy there
51 exists international competition for space and aerospace
52 infrastructure, facilities, and business opportunities, and in
53 most instances, when all available resources for economic
54 development have been used, the state encounters competitive
55 disadvantages. This state must provide a competitive environment
56 for aerospace and space business in the information age. This
57 often requires an incentive to make it feasible for private
58 investors to provide infrastructure in those areas.

24-02715-08

20082426__

59 (b) The Legislature, therefore, declares that sufficient
60 resources must be made available to respond to extraordinary
61 economic opportunities in the space and aerospace business, to
62 address the need for space and aerospace business facilities and
63 infrastructure, and to compete for key space and aerospace
64 businesses interested in entering into partnerships with the
65 state.

66 (2) There is created in the Office of Tourism, Trade, and
67 Economic Development the Space and Aerospace Development
68 Infrastructure Enhancement Fund to be available for use by Space
69 Florida. The moneys from the fund, which will be distributed to
70 successful applicants, shall be used to provide or upgrade space-
71 related infrastructure, enter into partnerships with applicable
72 businesses on space-related projects, or otherwise provide
73 incentives for space-related ventures.

74 (3) An application for funding from the Space and Aerospace
75 Development Infrastructure Enhancement Fund must include:

76 (a) A description of the type of space and aerospace
77 infrastructure project, its operations, and the associated
78 product or services associated with the facility.

79 (b) The number of full-time equivalent jobs that will be
80 created by the space and aerospace infrastructure project and the
81 total estimated average annual wages of those jobs or, in the
82 case of privately developed infrastructure, the types of business
83 activities and jobs stimulated by the investment.

84 (c) The cumulative amount of investment of public and
85 private funds which will be dedicated to the project within a
86 specified period.

24-02715-08

20082426__

87 (d) A description of the stimulating effect the project is
88 expected to have on a particular business sector in the state or
89 regional economy or on the state's universities and community
90 colleges.

91 (e) A statement of how the financial incentive is expected
92 to effect the decision of the applicant's business to locate or
93 expand in this state.

94 (f) A report evaluating the quality and value of the space
95 and aerospace company submitting the project proposal. The report
96 must include:

97 1. A financial analysis of the project company, including
98 an evaluation of the company's short-term liquidity ratio as
99 measured by its assets to liability, the company's profitability
100 ratio, and the company's long-term solvency as measured by its
101 debt-to-equity ratio;

102 2. An analysis of the market performance of the company
103 over the previous 5 years;

104 3. A review of any independent evaluations examining the
105 company and its performance;

106 4. A review of the latest audit of the company's financial
107 statement and the related auditor's management letter; and

108 5. A review of any other type of audit that is related to
109 the internal and management controls of the company.

110 (4) The Office of Tourism, Trade, and Economic Development
111 shall contract with nationally recognized economists to develop
112 an economic impact assessment model that evaluates the costs,
113 benefits, useful life, and other relevant factors related to
114 space and aerospace infrastructure projects. The economic impact
115 assessment model must be available for use by Space Florida and

24-02715-08

20082426__

116 the Office of Tourism, Trade, and Economic Development no later
117 than December 31, 2008.

118 (5) Projects eligible to receive Space and Aerospace
119 Development Infrastructure Enhancement funds must:

120 (a) Assist Space Florida in carrying out its
121 responsibilities under part II of chapter 331;

122 (b) Create or retain high-quality, high-salary jobs in the
123 space or aerospace industry in this state;

124 (c) Have a positive payback ratio of at least 5 to 1;

125 (d) Be an inducement to the project's location or expansion
126 in the state;

127 (e) Be supported by the local community in which the
128 project is to be located;

129 (f) Be able to match the state investment; and

130 (g) Have undergone an economic analysis.

131 (6) At the request of Space Florida, Enterprise Florida,
132 Inc., shall determine the eligibility of each applicant project
133 consistent with the criteria set forth in subsection (5).

134 Enterprise Florida, Inc., in consultation with Space Florida and
135 the Office of Tourism, Trade, and Economic Development, may waive
136 these criteria based on extraordinary circumstances if the
137 project would significantly benefit the local or regional
138 economy.

139 (7) (a) After receiving the economic impact assessment, the
140 Space Florida executive board and the director of the Office of
141 Tourism, Trade, and Economic Development shall meet to recommend
142 approval or disapproval of each proposed project. For projects
143 recommended to receive funds, the board and director shall rank
144 each proposal in the order of its meeting the established

24-02715-08

20082426__

145 criteria. When recommending a project, Space Florida and the
146 director of the Office of Tourism, Trade, and Economic
147 Development must include proposed performance conditions that the
148 project must meet in order to obtain money from the fund.

149 (b) The recommendations shall be sent to the Governor who
150 shall further evaluate the projects approved for funding. The
151 Governor shall consult with the President of the Senate and the
152 Speaker of the House of Representatives before giving final
153 approval for a project.

154 (c) The Executive Office of the Governor shall present the
155 recommended projects and request that project funds be released
156 pursuant to the legislative consultation and review requirements
157 set forth in s. 216.177. The recommendations must include
158 proposed performance conditions that each project is expected to
159 meet in order to receive funds.

160 (d) After receiving the required approvals, the director of
161 the Office of Tourism, Trade, and Economic Development and the
162 recipient shall enter into a contract that sets forth the
163 conditions for receiving moneys from the fund. The contract must
164 include the total amount of funds awarded, the performance
165 conditions that must be met in order to obtain the award, a
166 baseline of current service and a measure of enhanced capability,
167 the methodology for validating performance, the schedule of
168 payments from the fund, and sanctions for failure to meet
169 performance conditions. The contract must state that payment of
170 moneys from the Space and Aerospace Development Infrastructure
171 Enhancement Fund is contingent upon sufficient appropriation of
172 funds by the Legislature and upon sufficient release of
173 appropriated funds by the Legislative Budget Commission.

24-02715-08

20082426__

174 (8) Enterprise Florida, Inc., shall validate contractor
175 performance. The validation must be completed no later than 6
176 months after the contract is sent to the Governor and to Space
177 Florida.

178 Section 2. For the 2008-2009 fiscal year, the sum of
179 \$ _____ in nonrecurring funds is appropriated from the General
180 Revenue Fund to the Space and Aerospace Development
181 Infrastructure Enhancement Fund in the Office of Tourism, Trade,
182 and Economic Development for Space Florida for the purpose of
183 implementing the provisions of this act.

184 Section 3. This act shall take effect July 1, 2008, if
185 Senate Bill _____, or similar legislation, is adopted in the same
186 legislative session or an extension thereof and becomes law.