

By the Committees on Finance and Tax; Commerce; and Senator
Posey

593-07714-08

20082426c2

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 Catalyst and Enhancement Program in the Office
5 of Tourism, Trade, and Economic Development; providing for
6 moneys from the funds to be distributed to upgrade space-
7 related infrastructure or to enter into partnerships with
8 applicable businesses on space-related projects; requiring
9 that certain information be provided to the Office of
10 Tourism, Trade, and Economic Development; providing for a
11 contract with a nationally recognized consultant to
12 develop an economic impact assessment model that evaluates
13 the costs, benefits, useful life, and other relevant
14 factors-related to space and aerospace infrastructure
15 projects; describing the criteria by which the proposals
16 will be judged as eligible to receive funding; requiring
17 the director of the Office of Tourism, Trade, and Economic
18 Development to recommend approval or disapproval of
19 proposed projects; providing for the Governor to approve
20 funds after consultation with the President of the Senate
21 and the Speaker of the House of Representatives; providing
22 for review by the Legislative Budget Commission prior to
23 release of funds; requiring certain contract conditions;
24 describing the content of the contract; providing an
25 appropriation; designating Space Mile Marker One at the
26 Space Florida headquarters; authorizing Space Florida to
27 erect suitable markers; providing an effective date.

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

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31 Section 1. Section 288.1087, Florida Statutes, is created
32 to read:

33 288.1087 The Space and Aerospace Catalyst and Enhancement
34 Act.--

35 (1) (a) The Legislature finds that attracting, retaining,
36 entering into partnerships with, and providing favorable
37 conditions for space and aerospace entrepreneurial endeavors can
38 provide widespread economic benefit to the state. State
39 investment in the space and aerospace industry can help provide
40 high-quality employment opportunities for residents of this
41 state, increase the overall tax base, invigorate the state's
42 entrepreneurial climate through the resulting business and
43 employment opportunities, and stimulate and enhance the state's
44 universities and community colleges. The Legislature also finds
45 that in the global economy there exists international competition
46 for space and aerospace infrastructure, facilities, and business
47 opportunities, and in most instances, when all available
48 resources for economic development have been used, the state
49 encounters competitive disadvantages. Further, the Legislature
50 finds that business incentives help create a competitive
51 environment for aerospace and space business. This often requires
52 an incentive to make it feasible for private investors to provide
53 infrastructure in those areas.

54 (b) The Legislature, therefore, declares that sufficient
55 resources should be made available to respond to extraordinary
56 economic opportunities in the space and aerospace business
57 sectors, to address the need for space and aerospace business
58 facilities and infrastructure, and to compete for key space and

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59 aerospace businesses interested in entering into partnerships
60 with the state.

61 (2) There is created in the Office of Tourism, Trade, and
62 Economic Development the Space and Aerospace Catalyst and
63 Enhancement Program to be available for use by Space Florida. The
64 moneys from the fund, which will be distributed to Space Florida
65 once certain conditions are met, shall be used to provide or
66 upgrade space-related infrastructure or business facilities, and
67 to compete for key space- and aerospace-associated businesses
68 interested in entering into partnerships with the state.

69 (3) Space Florida and its partners shall submit to the
70 office a joint application detailing their proposed project. The
71 application shall include the following information:

72 (a) A description of the type of space and aerospace
73 infrastructure project, its operations, and the associated
74 product or services associated with the facility.

75 (b) The number of full-time equivalent jobs that will be
76 created by the space and aerospace infrastructure project, the
77 total estimated average annual wages of those jobs, and the types
78 of business activities and jobs stimulated by the investment.

79 (c) The cumulative amount of investment of public and, if
80 applicable, private funds that will be dedicated to the project
81 within a specified period.

82 (d) A description of the stimulating effect that the
83 project is expected to have on a particular business sector in
84 the state or regional economy or on the state's universities and
85 community colleges.

86 (e) A statement of how the public investment is expected to
87 affect the decision of the applicant's business to locate or

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88 expand in this state.

89 (f) In those instances where Space Florida is entering into
90 a public-private partnership with a space-related business
91 entity, a financial analysis of the project company, including an
92 evaluation of the company's short-term liquidity ratio as
93 measured by its assets to liability, the company's profitability
94 ratio, the company's long-term solvency as measured by its debt-
95 to-equity ratio, and the company's most recent financial audit
96 statement and the related auditor's management letter.

97 (4) Space Florida shall contract with a nationally
98 recognized economic consultant to develop an economic impact
99 assessment model that evaluates the costs, benefits, useful life,
100 and other relevant factors related to space and aerospace
101 projects. The model must be available for use by Space Florida no
102 later than December 31, 2008.

103 (5) Projects eligible to receive funds through the Space
104 and Aerospace Catalyst and Enhancement Program must:

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

107 (b) Create the potential for or retain existing high-
108 quality, high-salary jobs in the space or aerospace industry in
109 this state;

110 (c) Have a potential positive payback ratio of at least 5
111 to 1;

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

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

116 (f) If a public-private partnership, includes a match to

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117 the state investment; and

118 (g) Have undergone the economic analysis in subsection (4).

119 (6) The Office of Tourism, Trade, and Economic Development
120 may waive these criteria based on extraordinary circumstances if
121 the project would significantly benefit the local or regional
122 economy.

123 (7) (a) After receiving the application and the economic
124 impact assessment, the director of the Office of Tourism, Trade,
125 and Economic Development, in consultation with Space Florida,
126 shall recommend approval or disapproval of each proposed project.
127 When recommending a project to the Governor, the director of the
128 Office of Tourism, Trade, and Economic Development shall include
129 proposed performance conditions that the project must meet in
130 order to obtain program funding.

131 (b) The recommendations shall be sent to the Governor who
132 shall further evaluate the projects approved for funding. The
133 Governor shall consult with the President of the Senate and the
134 Speaker of the House of Representatives before giving final
135 approval for a project.

136 (c) The Executive Office of the Governor shall present the
137 recommended projects and funding request to the Legislative
138 Budget Commission, which shall conduct its review and release the
139 project funds pursuant to the legislative consultation and review
140 requirements set forth in s. 216.177. The recommendations must
141 include proposed performance conditions that each project is
142 expected to meet in order to receive funds.

143 (d) After receiving the required approvals, the director of
144 the Office of Tourism, Trade, and Economic Development and the
145 recipient shall enter into a contract that sets forth the

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146 conditions for receiving moneys from the fund. The contract must
147 include the total amount of funds awarded, the performance
148 conditions that must be met in order to obtain the award, a
149 baseline of current service and a measure of enhanced capability,
150 the methodology for validating performance, the schedule of
151 payments from the fund, and sanctions for failure to meet
152 performance conditions. The contract must state that payment is
153 contingent upon sufficient appropriation of funds by the
154 Legislature and upon sufficient release of appropriated funds by
155 the Legislative Budget Commission.

156 (8) Space Florida shall compile information about the
157 projects funded through the Space and Aerospace Catalyst and
158 Enhancement Program, and include the information in its annual
159 report.

160 Section 2. For the 2008-2009 fiscal year, the sum of \$15
161 million in nonrecurring funds is appropriated from the General
162 Revenue Fund to the Space and Aerospace Catalyst and Enhancement
163 Program in the Office of Tourism, Trade, and Economic Development
164 for Space Florida for the purpose of implementing the provisions
165 of this act. The funds shall be deposited in the Economic
166 Development Trust Fund and withdrawn as approved.

167 Section 3. Space Mile Marker One designated; Space Florida
168 to erect suitable markers.--

169 (1) Space Florida shall identify and designate an 18-inch
170 by 18-inch square of land near the Space Florida headquarters
171 building as "Space Mile Marker One."

172 (2) Space Florida is authorized to erect suitable markers
173 designating Space Mile Marker One as described in subsection (1).

174 Section 4. This act shall take effect July 1, 2008.