

By Senator Fasano

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1                   A bill to be entitled  
2           An act relating to The Scripps Research Institute;  
3           amending s. 288.955, F.S.; revising definitions; requiring  
4           the Scripps Florida Funding Corporation, along with the  
5           Office of Tourism, Trade, and Economic Development and  
6           Enterprise Florida, Inc., to review the performance and  
7           progress of grant recipients of the Innovation Incentive  
8           Program; revising membership requirements of the board of  
9           directors of the Scripps Florida Funding Corporation;  
10          authorizing the corporation to include on the same meeting  
11          agenda matters related to The Scripps Research Institute  
12          and the Innovation Incentive Program; deleting obsolete  
13          provisions; revising the duties of the corporation;  
14          revising the contract requirements between the corporation  
15          and the grant recipients; requiring the corporation to  
16          submit to the Governor and the Legislature a report  
17          related to the activities of the Innovation Incentive  
18          Program; providing requirements for the report; amending  
19          s. 288.1089, F.S.; providing definitions; revising  
20          application requirements for innovation incentive awards;  
21          revising evaluation and recommendation requirements for  
22          innovative incentive awards; requiring the Legislative  
23          Budget Commission to review and approve an innovation  
24          incentive award before the Executive Office of the  
25          Governor releases the funds; revising conditions in which  
26          funds are appropriated and released for the Innovation  
27          Incentive Program; revising agreement requirements for  
28          payment of incentives; requiring award recipients to

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29           comply with certain business ethics developed by  
30           Enterprise Florida, Inc.; providing an effective date.

31

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

33

34           Section 1. Section 288.955, Florida Statutes, is amended to  
35 read:

36           288.955 Scripps Florida Funding Corporation.--

37           (1) DEFINITIONS.--As used in this section, the term:

38           (a) "Agreement" means an agreement between the Office of  
39 Tourism, Trade, and Economic Development and recipients of  
40 Innovation Incentive Program grants pursuant to s. 288.1089.

41           ~~(b)~~ (a) "Contract" means the contract executed between the  
42 corporation and the grantee under this section.

43           ~~(c)~~ (b) "Corporation" means the Scripps Florida Funding  
44 Corporation created under this section.

45           ~~(d)~~ (e) "Grantee" means The Scripps Research Institute, a  
46 not-for-profit public benefit corporation, or a division,  
47 subsidiary, affiliate, or entity formed by The Scripps Research  
48 Institute to establish a state-of-the-art biomedical research  
49 institution and campus in this state.

50           (2) CREATION.--

51           (a) There is created a not-for-profit corporation known as  
52 the Scripps Florida Funding Corporation, which shall be  
53 registered, incorporated, organized, and operated under chapter  
54 617.

55           (b) The corporation is not a unit or entity of state  
56 government. However, the corporation is subject to the provisions  
57 of s. 24, Art. I of the State Constitution and chapter 119,

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58 relating to public meetings and records, and the provisions of  
59 chapter 286 relating to public meetings and records.

60 (c) The corporation must establish at least one corporate  
61 office in this state and appoint a registered agent.

62 (d) The corporation shall hire or contract for all staff  
63 necessary to the proper execution of its powers and duties within  
64 the funds appropriated to implement this section and shall  
65 require that all officers, directors, and employees of the  
66 corporation comply with the code of ethics for public officers  
67 and employees under part III of chapter 112. In no case may the  
68 corporation expend more than \$300,000 in the first year and  
69 \$200,000 per year thereafter for staffing and necessary  
70 administrative expenditures, including, but not limited to,  
71 travel and per diem and audit expenditures, using funds  
72 appropriated to implement this section.

73 (e) The Office of Tourism, Trade, and Economic Development  
74 shall provide administrative support to the corporation as  
75 requested by the corporation. In the event of the dissolution of  
76 the corporation, the office shall be the corporation's successor  
77 in interest and shall assume all rights, duties, and obligations  
78 of the corporation under any contract to which the corporation is  
79 then a party and under law.

80 (3) PURPOSES ~~PURPOSE~~--

81 (a) The corporation shall be organized to receive, hold,  
82 invest, administer, and disburse funds appropriated by the  
83 Legislature for the establishment and operation of a state-of-  
84 the-art biomedical research institution and campus in this state  
85 by The Scripps Research Institute. The corporation shall  
86 safeguard the state's commitment of financial support by ensuring

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87 that, as a condition for the receipt of these funds, the grantee  
88 meets its contractual obligations. In this manner, the  
89 corporation shall facilitate and oversee the state goal and  
90 public purpose of providing financial support for the institution  
91 and campus in order to expand the amount and prominence of  
92 biomedical research conducted in this state, provide an  
93 inducement for high-technology businesses to locate in this  
94 state, create educational opportunities through access to and  
95 partnerships with the institution, and promote improved health  
96 care through the scientific outcomes of the institution.

97 (b) The corporation also shall serve in an oversight  
98 capacity for the Innovation Incentive Program created in s.  
99 288.1089. In that capacity, the corporation shall enter into a  
100 partnership with the Office of Tourism, Trade, and Economic  
101 Development and Enterprise Florida, Inc., in reviewing the  
102 performance and progress of grant recipients of the Innovation  
103 Incentive Program.

104 (4) BOARD; MEMBERSHIP.--The corporation shall be governed  
105 by a board of directors.

106 (a) The board of directors shall consist of nine voting  
107 members, of whom the Governor shall appoint three, the President  
108 of the Senate shall appoint three, and the Speaker of the House  
109 of Representatives shall appoint three. The director of the  
110 Office of Tourism, Trade, and Economic Development or the  
111 director's designee shall serve as an ex-officio, nonvoting  
112 member of the board of directors.

113 (b) Each member of the board of directors shall serve for a  
114 term of 4 years, and ~~except that initially the Governor, the~~  
115 ~~President of the Senate, and the Speaker of the House of~~

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116 ~~Representatives each shall appoint one member for a term of 1~~  
117 ~~year, one member for a term of 2 years, and one member for a term~~  
118 ~~of 4 years to achieve staggered terms among the members of the~~  
119 ~~board. a member is not eligible for reappointment to the board,~~  
120 ~~except, however, that a member appointed to an initial term of 1~~  
121 ~~year or 2 years may be reappointed for an additional term of 4~~  
122 ~~years, and a person appointed to fill a vacancy with 2 years or~~  
123 ~~less remaining on the term may be reappointed for an additional~~  
124 ~~term of 4 years. The Governor, the President of the Senate, and~~  
125 ~~the Speaker of the House of Representatives shall make their~~  
126 ~~initial appointments to the board by November 15, 2003.~~

127 (c) The Governor, the President of the Senate, or the  
128 Speaker of the House of Representatives, respectively, shall fill  
129 a vacancy on the board of directors, according to who appointed  
130 the member whose vacancy is to be filled or whose term has  
131 expired. A vacancy that occurs before the scheduled expiration of  
132 the term of the member shall be filled for the remainder of the  
133 unexpired term.

134 (d) Each member of the board of directors who is not  
135 otherwise required to file financial disclosure under s. 8, Art.  
136 II of the State Constitution or s. 112.3144 shall file disclosure  
137 of financial interests under s. 112.3145.

138 (e) A person may not be appointed to the board of directors  
139 if he or she has had any direct interest in any contract,  
140 franchise, privilege, or other benefit granted by The Scripps  
141 Research Institute, or any of its affiliate organizations, or  
142 with any grant recipients of the Innovation Incentive Program  
143 within 5 years before appointment. A person appointed to the  
144 board of directors must agree to refrain from having any direct

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145 interest in any contract, franchise, privilege, or other benefit  
146 granted by The Scripps Research Institute, or any of its  
147 affiliate organizations, or with any grant recipients of the  
148 Innovation Incentive Program during the term of his or her  
149 appointment and for 5 years after the termination of such  
150 appointment. It is a misdemeanor of the first degree, punishable  
151 as provided in s. 775.083 or s. 775.084, for a person to accept  
152 appointment to the board of directors in violation of this  
153 paragraph or to accept a direct interest in any contract,  
154 franchise, privilege, or other benefit granted by the institution  
155 or affiliate within 5 years after the termination of his or her  
156 service on the board.

157 (f) Each member of the board of directors shall serve  
158 without compensation, but shall receive travel and per diem  
159 expenses as provided in s. 112.061 while in the performance of  
160 his or her duties.

161 (g) Each member of the board of directors is accountable  
162 for the proper performance of the duties of office, and each  
163 member owes a fiduciary duty to the people of the state to ensure  
164 that funds provided in furtherance of this section are disbursed  
165 and used as prescribed by law and contract. The Governor, the  
166 President of the Senate, or the Speaker of the House of  
167 Representatives, according to which officer appointed the member,  
168 may remove a member for malfeasance, misfeasance, neglect of  
169 duty, incompetence, permanent inability to perform official  
170 duties, unexcused absence from three consecutive meetings of the  
171 board, arrest or indictment for a crime that is a felony or a  
172 misdemeanor involving theft or a crime of dishonesty, or pleading  
173 nolo contendere to, or being found guilty of, any crime.

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174 (5) ORGANIZATION; MEETINGS.--

175 (a)1. The board of directors shall annually elect a  
176 chairperson and a vice chairperson from among the board's  
177 members. The members may, by a vote of five of the nine board  
178 members, remove a member from the position of chairperson or vice  
179 chairperson prior to the expiration of his or her term as  
180 chairperson or vice chairperson. His or her successor shall be  
181 elected to serve for the balance of the removed chairperson's or  
182 vice chairperson's term.

183 2. The chairperson is responsible to ensure that records  
184 are kept of the proceedings of the board of directors and is the  
185 custodian of all books, documents, and papers filed with the  
186 board; the minutes of meetings of the board; and the official  
187 seal of the corporation.

188 (b)1. The board of directors shall meet upon the call of  
189 the chairperson or at the request of a majority of the members,  
190 but no less than three times per calendar year.

191 2. A majority of the voting members of the board of  
192 directors constitutes a quorum. Except as otherwise provided in  
193 this section, the board may take official action by a majority  
194 vote of the members present at any meeting at which a quorum is  
195 present. Members may not vote by proxy.

196 3. A member of the board may participate in a meeting of  
197 the board by telephone or videoconference through which each  
198 member may hear every other member.

199 (c) The corporation may include on the same meeting agenda  
200 matters related to The Scripps Research Institute and the  
201 Innovation Incentive Program.

202 (6) POWERS AND DUTIES.--

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203        (a) The corporation is organized to receive, hold, invest,  
204 administer, and disburse funds appropriated by the Legislature in  
205 support of The Scripps Research Institute ~~this section~~ and to  
206 disburse any income generated from the investment of these funds  
207 consistent with the purpose and provisions of this section. In  
208 addition to the powers and duties prescribed in chapter 617 and  
209 the articles and bylaws adopted under that chapter, the  
210 corporation:

211        1.~~(a)~~ May make and enter into contracts and assume any  
212 other functions that are necessary to carry out the provisions of  
213 this section related to The Scripps Research Institute.

214        2.~~(b)~~ May enter into leases and contracts for the purchase  
215 of real property and hold notes, mortgages, guarantees, or  
216 security agreements to secure the performance of obligations of  
217 the grantee under the contract.

218        3.~~(e)~~ May perform all acts and things necessary or  
219 convenient to carry out the powers expressly granted in this  
220 section and in the ~~a~~ contract entered into between the  
221 corporation and the grantee.

222        4.~~(d)~~ May make expenditures, from funds provided by this  
223 state, including any necessary administrative expenditures  
224 consistent with its powers.

225        ~~(c) May indemnify, and purchase and maintain insurance on~~  
226 ~~behalf of, directors, officers, and employees of the corporation~~  
227 ~~against any personal liability or accountability.~~

228        5.~~(f)~~ Shall disburse funds pursuant to the provisions of  
229 this section and a contract entered into between the corporation  
230 and the grantee.



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231        6.~~(g)~~ Shall receive and review reports and financial  
232 documentation provided by the grantee to ensure compliance with  
233 the provisions of this section and provisions of the contract.

234        7.~~(h)~~ Shall prepare an annual report as prescribed in  
235 subsection (14).

236        (b) The corporation also is directed to:

237        1. Review the business plans, quarterly reports, annual  
238 reports, and audit reports of entities that have received a grant  
239 from the Innovation Incentive Program pursuant to s. 288.1089.

240        2. Invite all Innovation Incentive Program grant recipients  
241 to appear at its meetings to present progress reports on their  
242 activities.

243        3. Prepare an annual report as prescribed in subsection  
244 (15).

245        (c) The corporation may indemnify, purchase, and maintain  
246 insurance on behalf of directors, officers, and employees of the  
247 corporation against any personal liability or accountability.

248        (d) The corporation may otherwise perform all acts and  
249 things necessary or convenient to carry out the powers expressly  
250 granted in this section.

251        (7) INVESTMENT OF FUNDS.--The corporation must enter into  
252 an agreement with the State Board of Administration under which  
253 funds received by the corporation from the Office of Tourism,  
254 Trade, and Economic Development which are not disbursed to the  
255 grantee shall be invested by the State Board of Administration on  
256 behalf of the corporation. Funds shall be invested in suitable  
257 instruments authorized under s. 215.47 and specified in  
258 investment guidelines established and agreed to by the State  
259 Board of Administration and the corporation.

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260 (8) CONTRACT.--

261 (a) The 20-year contract negotiated and executed by the  
262 corporation with the grantee ~~By January 30, 2004, the corporation~~  
263 ~~shall negotiate and execute a contract with the grantee for a~~  
264 ~~term of 20 years. Such contract shall govern the disbursement and~~  
265 ~~use of funds under this section. The board may, by a simple~~  
266 ~~majority vote, authorize one 45-day extension of this deadline.~~  
267 ~~The corporation may not execute the contract unless the contract~~  
268 ~~is approved by the affirmative vote of at least seven of the nine~~  
269 ~~members of the board of directors. At least 14 days before~~  
270 ~~execution of the contract, The Scripps Research Institute must~~  
271 ~~submit to the board, the Governor, the President of the Senate,~~  
272 ~~and the Speaker of the House of Representatives an organizational~~  
273 ~~plan, in a form and manner prescribed by the board, for the~~  
274 ~~establishment of a state-of-the-art biomedical research~~  
275 ~~institution and campus in this state, and the board must submit a~~  
276 ~~copy of the proposed contract to the Governor, the President of~~  
277 ~~the Senate, and the Speaker of the House of Representatives.~~

278 (b) ~~The contract, at a minimum, must contain provisions:~~

279 1. Specifying the procedures and schedules that govern the  
280 disbursement of funds under this section and specifying the  
281 conditions or deliverables that the grantee must satisfy before  
282 the release of each disbursement.

283 2. Requiring the grantee to submit to the corporation a  
284 business plan in a form and manner prescribed by the corporation.

285 3. Prohibiting The Scripps Research Institute or the  
286 grantee from establishing other biomedical science or research  
287 facilities in any state other than this state or California for a  
288 period of 12 years from the commencement of the contract. Nothing

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289 | in this subparagraph shall prohibit the grantee from establishing  
290 | or engaging in normal collaborative activities with other  
291 | organizations.

292 |         4. Governing the ownership of or security interests in real  
293 | property and personal property, including, but not limited to,  
294 | research equipment, obtained through the financial support of  
295 | state or local government, including a provision that in the  
296 | event of a breach of the contract or in the event the grantee  
297 | ceases operations in this state, such property purchased with  
298 | state funds shall revert to the state and such property purchased  
299 | with local funds shall revert to the local governing authority.

300 |         5. Requiring the grantee to be an equal opportunity  
301 | employer.

302 |         6. Requiring the grantee to maintain a policy of awarding  
303 | preference in employment to residents of this state, as defined  
304 | by law, except for professional scientific staff positions  
305 | requiring a doctoral degree, postdoctoral training positions, and  
306 | graduate student positions.

307 |         7. Requiring the grantee to maintain a policy of making  
308 | purchases from vendors in this state, to the extent it is cost-  
309 | effective and scientifically sound.

310 |         8. Requiring the grantee to use the Internet-based job-  
311 | listing system of the Agency for Workforce Innovation in  
312 | advertising employment opportunities.

313 |         9. Requiring the grantee to establish accredited science  
314 | degree programs.

315 |         10. Requiring the grantee to establish internship programs  
316 | to create learning opportunities for educators and secondary,  
317 | postsecondary, graduate, and doctoral students.

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318 11. Requiring the grantee to submit data to the corporation  
319 on the activities and performance during each fiscal year and to  
320 provide to the corporation an annual accounting of the  
321 expenditure of funds disbursed under this section.

322 12. Establishing that the corporation shall review the  
323 activities of the grantee to assess the grantee's financial and  
324 operational compliance with the provisions of the contract and  
325 with relevant provisions of law.

326 13. Authorizing the grantee, when feasible, to use  
327 information submitted by it to the Federal Government or to other  
328 organizations awarding research grants to the grantee to help  
329 meet reporting requirements imposed under this section or the  
330 contract, if the information satisfies the reporting standards of  
331 this section and the contract.

332 14. Unless amended pursuant to the force majeure provisions  
333 in subsection (18), requiring the grantee during the first 7  
334 years of the contract to create 545 positions and to acquire  
335 associated research equipment for the grantee's facility in this  
336 state, and pay for related maintenance of the equipment, in a  
337 total amount of not less than \$45 million.

338 15. Requiring the grantee to progress in the creation of  
339 the total number of jobs prescribed in subparagraph 14. on the  
340 following schedule: At least 38 positions in the 1st year, 168  
341 positions in the 2nd year, 280 positions in the 3rd year, 367  
342 positions in the 4th year, 436 positions in the 5th year, 500  
343 positions in the 6th year, and 545 positions in the 7th year. The  
344 corporation's board of directors may allow the grantee to deviate  
345 downward from such employee levels by 25 percent in any year, to  
346 allow the grantee flexibility in achieving the objectives set

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347 | forth in the business plan provided to the corporation; however,  
348 | the grantee must have no fewer than 545 positions by the end of  
349 | the 7th year.

350 |       16. Requiring the grantee to allow the corporation to  
351 | retain an independent certified public accountant licensed in  
352 | this state pursuant to chapter 473 to inspect the records of the  
353 | grantee in order to audit the expenditure of funds disbursed to  
354 | the grantee. The independent certified public accountant shall  
355 | not disclose any confidential or proprietary scientific  
356 | information of the grantee.

357 |       17. Requiring the grantee to purchase liability insurance  
358 | and governing the coverage level of such insurance.

359 |       **(b)** ~~(e)~~ An amendment to the contract is not effective unless  
360 | it is approved by the affirmative vote of at least seven of the  
361 | nine members of the board of directors.

362 |       (9) PERFORMANCE EXPECTATIONS FOR THE SCRIPPS RESEARCH  
363 | INSTITUTE.--In addition to the provisions prescribed in  
364 | subsection (8), the contract between the corporation and the  
365 | grantee shall include a provision that the grantee, in  
366 | cooperation with the Office of Tourism, Trade, and Economic  
367 | Development, shall report to the corporation on an annual basis  
368 | certain performance expectations that reflect the aspirations of  
369 | the Governor and the Legislature for the benefits accruing to  
370 | this state as a result of the funds appropriated pursuant to this  
371 | section. These shall include, but are not limited to, performance  
372 | expectations addressing:

373 |       (a) The number and dollar value of research grants obtained  
374 | from the Federal Government or sources other than this state.

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375 (b) The percentage of total research dollars received by  
376 The Scripps Research Institute from sources other than this state  
377 which is used to conduct research activities by the grantee in  
378 this state.

379 (c) The number or value of patents obtained by the grantee.

380 (d) The number or value of licensing agreements executed by  
381 the grantee.

382 (e) The extent to which research conducted by the grantee  
383 results in commercial applications.

384 (f) The number of collaborative agreements reached and  
385 maintained with colleges and universities in this state and with  
386 research institutions in this state, including agreements that  
387 foster participation in research opportunities by public and  
388 private colleges and universities and research institutions in  
389 this state with significant minority populations, including  
390 historically black colleges and universities.

391 (g) The number of collaborative partnerships established  
392 and maintained with businesses in this state.

393 (h) The total amount of funding received by the grantee  
394 from sources other than the State of Florida.

395 (i) The number or value of spin-off businesses created in  
396 this state as a result of commercialization of the research of  
397 the grantee.

398 (j) The number or value of businesses recruited to this  
399 state by the grantee.

400 (k) The establishment and implementation of policies to  
401 promote supplier diversity using the guidelines developed by the  
402 Office of Supplier Diversity under s. 287.09451 and to comply  
403 with the ordinances, including any small business ordinances,

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404 enacted by the county and which are applicable to the biomedical  
405 research institution and campus located in this state.

406 (l) The designation by the grantee of a representative to  
407 coordinate with the Office of Supplier Diversity.

408 (m) The establishment and implementation of a program to  
409 conduct workforce recruitment activities at public and private  
410 colleges and universities and community colleges in this state  
411 which request the participation of the grantee.

412

413 ~~The contract shall require the grantee to provide information to~~  
414 ~~the corporation on the progress in meeting these performance~~  
415 ~~expectations on an annual basis.~~ It is the intent of the  
416 Legislature that, in fulfilling its obligation to work with  
417 Florida's public and private colleges and universities, The  
418 Scripps Research Institute's Florida facility work with such  
419 colleges and universities regardless of size.

420 (10) DISBURSEMENT CONDITIONS.--In addition to the  
421 provisions prescribed in subsection (8), the contract between the  
422 corporation and the grantee shall include disbursement conditions  
423 that must be satisfied by the grantee as a condition for the  
424 continued disbursement of funds under this section. These  
425 disbursement conditions shall be negotiated between the  
426 corporation and the grantee and shall not be designed to impede  
427 the ability of the grantee to attain full operational status. The  
428 disbursement conditions may be appropriately varied as to  
429 timeframes, numbers, values, and percentages. The disbursement  
430 conditions shall include, but are not limited to, the following  
431 areas:

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432 (a) Demonstrate creation of jobs and report on the average  
433 salaries paid.

434 (b) Beginning 18 months after the grantee's occupancy of  
435 its permanent facility, the grantee shall annually obtain  
436 \$100,000 of nonstate funding for each full-time equivalent  
437 tenured-track faculty member employed at the grantee's Florida  
438 facility.

439 (c) No later than 3 years after the grantee's occupancy of  
440 its permanent facility, the grantee shall apply to the relevant  
441 accrediting agency for accreditation of its Florida graduate  
442 program.

443 (d) The grantee shall purchase equipment for its Florida  
444 facility as scheduled in its contract with the corporation.

445 (e) No later than 18 months after occupying its permanent  
446 facility, the grantee shall establish a program for qualified  
447 graduate students from Florida universities permitting them  
448 access to the facility for doctoral, thesis-related research.

449 (f) No later than 18 months after occupancy of the  
450 permanent facility, the grantee shall establish a summer  
451 internship for high school students.

452 (g) No later than 3 years after occupancy of the permanent  
453 facility, the grantee shall establish a research program for  
454 middle and high school teachers.

455 (h) No later than 18 months after occupancy of the  
456 permanent facility, the grantee shall establish a program for  
457 adjunct professors.

458 (i) No later than 6 months after commissioning its high  
459 throughput technology, the grantee shall establish a program to  
460 allow open access for qualified science projects.



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461           (j) ~~Beginning June 2004,~~ The grantee shall collaborate  
462 ~~commence collaborative efforts~~ with Florida public and private  
463 colleges and universities, and shall continue cooperative  
464 collaboration through the term of the agreement.

465           (k) Beginning 18 months after the grantee occupies the  
466 permanent facility, the grantee shall establish an annual seminar  
467 series featuring a review of the science work done by the grantee  
468 and its collaborators at the Florida facility.

469           (l) ~~Beginning June 2004,~~ The grantee shall collaborate  
470 ~~commence collaboration efforts~~ with the Office of Tourism, Trade,  
471 and Economic Development by complying with reasonable requests  
472 for cooperation in economic development efforts in the  
473 biomed/biotech industry. ~~No later than July 2004,~~ The grantee  
474 shall also designate a person who shall be charged with assisting  
475 in these collaborative efforts.

476           (11) DISBURSEMENTS TO THE SCRIPPS RESEARCH INSTUTUTE.--

477           (a) The corporation shall disburse funds to the grantee  
478 over a period of 7 calendar years starting in the calendar year  
479 beginning January 1, 2004, under the terms and conditions of the  
480 contract. The corporation shall complete disbursement of the  
481 total amount of funds payable to the grantee under the contract  
482 no later than December 31, 2010, unless the grantee fails to  
483 satisfy the terms and conditions of the contract. Any funds of  
484 the corporation that are not disbursed by December 31, 2010,  
485 shall be paid to the Biomedical Research Trust Fund of the  
486 Department of Health.

487           (b) The contract shall provide for a reduction or  
488 elimination of funding in any year if:

489           1. The grantee is no longer operating in this state;

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490           2. The grantee has failed to commit in writing to maintain  
491 operations in the state for the succeeding year; or

492           3. The grantee commits a material default or breach of the  
493 contract, as defined and governed by the contract. Determination  
494 of material default or breach of contract shall require the  
495 affirmative vote of at least seven of the nine members of the  
496 board.

497           (c) Each disbursement by the corporation to the grantee  
498 under this section is conditioned upon the affirmative approval  
499 of at least five of the nine members of the board of directors  
500 and upon demonstration by the grantee that it has met the  
501 particular contractual deliverables that are the basis for that  
502 disbursement.

503           (12) USE OF FUNDS.--

504           (a) Funds appropriated in furtherance of this section may  
505 not be disbursed or expended for activities that do not  
506 principally benefit or that are not directly related to the  
507 establishment or operation of the grantee in this state, except  
508 upon approval of the affirmative vote of at least seven of the  
509 nine members of the board of directors.

510           (b) ~~No~~ Funds appropriated in furtherance of this section  
511 may not be used for the purpose of lobbying any branch or agency  
512 of state government or any political subdivision of the state.

513           (c) The grantee must provide for separate accounts for any  
514 funds appropriated in furtherance of this section and separate  
515 books and records relating to The Scripps Research Institute's  
516 Florida operation.

517           (13) REINVESTMENT.--

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518 (a) The grantee shall reinvest 15 percent of the net  
519 royalty revenues, including the revenues from the sale of stock,  
520 received by The Scripps Research Institute from the licensing or  
521 transfer of inventions, methods, processes, and other patentable  
522 discoveries conceived or reduced to practice using the grantee's  
523 Florida facilities or Florida employees, in whole or in part, and  
524 to which the grantee becomes entitled during the 20 years  
525 following the effective date of the contract between the  
526 corporation and the grantee. For purposes of this paragraph, the  
527 term "net royalty revenues" means all royalty revenues less the  
528 cost of obtaining, maintaining, and enforcing related patent and  
529 intellectual property rights, both foreign and domestic.  
530 Reinvestment payments under this paragraph shall commence no  
531 later than 6 months after the grantee has received the final  
532 disbursement under the contract and shall continue until the  
533 maximum reinvestment has been paid.

534 (b) The grantee shall reinvest 15 percent of the gross  
535 revenues it receives from naming opportunities associated with  
536 any facility it builds in this state. For purposes of this  
537 section, the term "naming opportunities" includes charitable  
538 donations from any person or entity in consideration for the  
539 right to have all or a portion of the facility named for or in  
540 the memory of any person, living or dead, or for any entity. The  
541 obligation to make reinvestment payments under this section shall  
542 commence upon the execution of the contract between the  
543 corporation and the grantee.

544

545 All reinvestment payments made pursuant to this section shall be  
546 remitted to the state for deposit in the Biomedical Research

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547 Trust Fund or, if such fund has ceased to exist, in another trust  
548 fund that supports biomedical research, as determined by law. The  
549 maximum reinvestment required of the grantee pursuant to this  
550 subsection shall not exceed \$200 million. At such time as the  
551 reinvestment payments equal \$155 million or the contract expires,  
552 whichever is earlier, the board of the corporation shall  
553 determine whether the performance expectations and disbursement  
554 conditions have been met. If the board determines that the  
555 performance expectations and disbursement conditions have been  
556 met, the amount of \$200 million shall be reduced to \$155 million.  
557 The grantee shall annually submit a schedule of the shares of  
558 stock held by it as payment of the royalty referred to in  
559 paragraph (a) and report on any trades or activity concerning  
560 such stock. The grantee's obligations under this subsection shall  
561 survive the expiration or termination of the contract between the  
562 corporation and the grantee.

563 (14) ANNUAL REPORT ON THE SCRIPPS RESEARCH INSTITUTE.--By  
564 December 1 of each year, the corporation shall prepare a report  
565 of the activities and outcomes under this section for the  
566 preceding fiscal year. The report, at a minimum, must include:

567 (a) A description of the activities of the corporation in  
568 managing and enforcing the contract with the grantee.

569 (b) An accounting of the amount of funds disbursed during  
570 the preceding fiscal year to the grantee.

571 (c) An accounting of expenditures by the grantee during the  
572 fiscal year of funds disbursed under this section.

573 (d) Information on the number and salary level of jobs  
574 created by the grantee, including the number and salary level of  
575 jobs created for residents of this state.

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576 (e) Information on the amount and nature of economic  
577 activity generated through the activities of the grantee.

578 (f) An assessment of factors affecting the progress toward  
579 achieving the projected biotech industry cluster associated with  
580 the grantee's operations, as projected by economists on behalf of  
581 the Executive Office of the Governor.

582 (g) A compliance and financial audit of the accounts and  
583 records of the corporation at the end of the preceding fiscal  
584 year conducted by an independent certified public accountant in  
585 accordance with rules of the Auditor General.

586 (h) A description of the status of the performance  
587 expectations under subsection (9) and the disbursement conditions  
588 under subsection (10).

589

590 The corporation shall submit the report to the Governor, the  
591 President of the Senate, and the Speaker of the House of  
592 Representatives.

593 (15) REPORT ON INNOVATION INCENTIVE PROGRAM  
594 ACTIVITIES.--The corporation shall prepare an annual report of  
595 the activities and outcomes related to its oversight role for the  
596 Innovation Incentive Program for the preceding fiscal year. The  
597 report, at a minimum, must include:

598 (a) An assessment of the progress made by each grant  
599 recipient of the Innovation Incentive Program in achieving its  
600 agreement objectives, benchmarks, and performance expectations,  
601 and a discussion of all relevant factors related to its progress  
602 or lack thereof.

603 (b) A review of the previous year's compliance and  
604 financial audits of the accounts and records of each grant

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605 recipient conducted by an independent certified public accountant  
606 in accordance with rules of the Auditor General.

607 (c) Any recommended legislative changes or administrative  
608 improvements that may be undertaken by the Executive Office of  
609 the Governor.

610

611 The corporation shall submit the report to the Governor, the  
612 President of the Senate, and the Speaker of the House of  
613 Representatives by January 10 of each year, beginning in 2009.

614 (16)~~(15)~~ PROGRAM EVALUATION.--

615 (a) Before January 1, 2007, the Office of Program Policy  
616 Analysis and Government Accountability shall conduct a  
617 performance audit of the Office of Tourism, Trade, and Economic  
618 Development and the corporation relating to the provisions of  
619 this section. The audit shall assess the implementation and  
620 outcomes of activities under this section. At a minimum, the  
621 audit shall address:

622 1. Performance of the Office of Tourism, Trade, and  
623 Economic Development in disbursing funds appropriated under this  
624 section.

625 2. Performance of the corporation in managing and enforcing  
626 the contract with the grantee.

627 3. Compliance by the corporation with the provisions of  
628 this section and the provisions of the contract.

629 4. Economic activity generated through funds disbursed  
630 under the contract.

631 (b) Before January 1, 2010, the Office of Program Policy  
632 Analysis and Government Accountability shall update the report  
633 required under paragraph (a) ~~this subsection~~. In addition to

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634 addressing the items prescribed in paragraph (a), the updated  
635 report shall include a recommendation on whether the Legislature  
636 should retain the statutory authority for the corporation taking  
637 into account the corporation's oversight role for the Innovation  
638 Incentive Program.

639

640 A report of each audit's findings and recommendations shall be  
641 submitted to the Governor, the President of the Senate, and the  
642 Speaker of the House of Representatives. In completing the  
643 performance audits required under this subsection, the Office of  
644 Program Policy Analysis and Government Accountability shall  
645 maximize the use of reports submitted by the grantee to the  
646 Federal Government or to other organizations awarding research  
647 grants to the grantee.

648 (17)~~(16)~~ LIABILITY.--

649 (a) The appropriation or disbursement of funds under this  
650 section does not constitute a debt, liability, or obligation of  
651 the State of Florida, any political subdivision thereof, or the  
652 corporation or a pledge of the faith and credit of the state or  
653 of any such political subdivision.

654 (b) The appropriation or disbursement of funds under this  
655 section does not subject the State of Florida, any political  
656 subdivision thereof, or the corporation to liability related to  
657 the research activities and research products of the grantee.

658 (18)~~(17)~~ FORCE MAJEURE.--Notwithstanding any other  
659 provisions contained in this act, if the grantee is prevented  
660 from timely achieving any deadlines set forth in this act due to  
661 its inability to occupy its permanent Florida facility within 2  
662 years after entering into the memorandum of agreement pursuant to

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663 s. 403.973, as a result of permitting delays and related  
664 administrative or judicial proceedings, acts of God, labor  
665 disturbances, or other similar events beyond the control of the  
666 grantee, the deadline shall be extended by the number of days by  
667 which the grantee was delayed in commencing its occupancy of its  
668 permanent Florida facility. In no event shall the extension be  
669 for more than 4 years. Upon the occurrence of a force majeure  
670 event, the Scripps Florida Funding Corporation shall continue to  
671 fund the grantee at a level that permits it to sustain its  
672 current level of operations until the force majeure event ceases  
673 and the grantee is able to resume the contract schedule governing  
674 disbursement.

675 Section 2. Section 288.1089, Florida Statutes, is amended  
676 to read:

677 288.1089 Innovation Incentive Program.--

678 (1) The Innovation Incentive Program is created within the  
679 Office of Tourism, Trade, and Economic Development to ensure that  
680 sufficient resources are available to allow the state to respond  
681 expeditiously to extraordinary economic opportunities and to  
682 compete effectively for high-value research and development and  
683 innovation business projects.

684 (2) As used in this section, the term:

685 (a) "Average private sector wage" means the statewide  
686 average wage in the private sector or the average of all private  
687 sector wages in the county or in the standard metropolitan area  
688 in which the project is located as determined by the Agency for  
689 Workforce Innovation.

690 (b) "Brownfield area" means an area designated as a  
691 brownfield area pursuant to s. 376.80.



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692            (c) "Corporation" means the Scripps Florida Funding  
693 Corporation.

694            (d)~~(e)~~ "Cumulative investment" means cumulative capital  
695 investment and all eligible capital costs, as defined in s.  
696 220.191.

697            (e)~~(d)~~ "Director" means the director of the Office of  
698 Tourism, Trade, and Economic Development.

699            (f)~~(e)~~ "Enterprise zone" means an area designated as an  
700 enterprise zone pursuant to s. 290.0065.

701            (g)~~(f)~~ "Fiscal year" means the state fiscal year.

702            (h)~~(g)~~ "Innovation business" means a business expanding or  
703 locating in this state that is likely to serve as a catalyst for  
704 the growth of an existing or emerging technology cluster or will  
705 significantly impact the regional economy in which it is to  
706 expand or locate.

707            (i)~~(h)~~ "Jobs" means full-time equivalent positions, as that  
708 term is consistent with terms used by the Agency for Workforce  
709 Innovation and the United States Department of Labor for purposes  
710 of unemployment compensation tax administration and employment  
711 estimation, resulting directly from a project in this state. The  
712 term does not include temporary construction jobs.

713            (j)~~(i)~~ "Match" means funding from local sources, public or  
714 private, which will be paid to the applicant and which is equal  
715 to 100 percent of an award. Eligible match funding may include  
716 any tax abatement granted to the applicant under s. 196.1995 or  
717 the appraised market value of land, buildings, infrastructure, or  
718 equipment conveyed or provided at a discount to the applicant.  
719 Complete documentation of a match payment or other conveyance  
720 must be presented to and verified by the office prior to transfer

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721 of state funds to an applicant. An applicant may not provide,  
722 directly or indirectly, more than 5 percent of match funding in  
723 any fiscal year. The sources of such funding may not include,  
724 directly or indirectly, state funds appropriated from the General  
725 Revenue Fund or any state trust fund, excluding tax revenues  
726 shared with local governments pursuant to law.

727 (k) "Naming opportunities" means charitable donations from  
728 any person or entity in consideration for the right to have all  
729 or a portion of the facility named for or in the memory of any  
730 person, living or dead, or for any entity.

731 (l) "Net royalty revenues" means all royalty revenues less  
732 the cost of obtaining, maintaining, and enforcing related patent  
733 and intellectual property rights, both foreign and domestic.

734 (m)~~(j)~~ "Office" means the Office of Tourism, Trade, and  
735 Economic Development.

736 (n)~~(k)~~ "Project" means the location to or expansion in this  
737 state by an innovation business or research and development  
738 applicant approved for an award pursuant to this section.

739 (o)~~(l)~~ "Research and development" means basic and applied  
740 research in the sciences or engineering, as well as the design,  
741 development, and testing of prototypes or processes of new or  
742 improved products. Research and development does not include  
743 market research, routine consumer product testing, sales  
744 research, research in the social sciences or psychology,  
745 nontechnological activities, or technical services.

746 (p)~~(m)~~ "Research and development facility" means a facility  
747 that is predominately engaged in research and development  
748 activities. For purposes of this paragraph, the term  
749 "predominantly" means at least 51 percent of the time.

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750        (q) ~~(n)~~ "Rural area" means a rural city, rural community, or  
751 rural county as defined in s. 288.106.

752        (3) To be eligible for consideration for an innovation  
753 incentive award, an innovation business or research and  
754 development entity must submit a written application to  
755 Enterprise Florida, Inc., before making a decision to locate new  
756 operations in this state or expand an existing operation in this  
757 state. The application must include, but not be limited to:

758            (a) The applicant's federal employer identification number,  
759 unemployment account number, and state sales tax registration  
760 number. If such numbers are not available at the time of  
761 application, they must be submitted to the office in writing  
762 prior to the disbursement of any payments under this section.

763            (b) The location in this state at which the project is  
764 located or is to be located.

765            (c) A description of the type of business activity,  
766 product, or research and development undertaken by the applicant,  
767 including six-digit North American Industry Classification System  
768 codes for all activities included in the project.

769            (d) The applicant's projected investment in the project.

770            (e) The total investment, from all sources, in the project.

771            (f) The number of net new full-time equivalent jobs in this  
772 state the applicant anticipates having created as of December 31  
773 of each year in the project; and the average annual wage of such  
774 jobs; and the average annual wage of nonmanagement, nonresearch  
775 jobs.

776            (g) The total number of full-time equivalent employees  
777 currently employed by the applicant in this state, if applicable.

778            (h) The anticipated commencement date of the project.

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779 (i) A detailed explanation of why the innovation incentive  
780 is needed to induce the applicant to expand or locate in the  
781 state and whether an award would cause the applicant to locate or  
782 expand in this state.

783 (j) If applicable, an estimate of the proportion of the  
784 revenues resulting from the project that will be generated  
785 outside this state.

786 (4) To qualify for review by the office, the applicant  
787 must, at a minimum, establish the following to the satisfaction  
788 of Enterprise Florida, Inc., and the office:

789 (a) The jobs created by the project must pay an estimated  
790 annual average wage equaling at least 130 percent of the average  
791 private sector wage. The office may waive this average wage  
792 requirement at the request of Enterprise Florida, Inc., for a  
793 project located in a rural area, a brownfield area, or an  
794 enterprise zone, when the merits of the individual project or the  
795 specific circumstances in the community in relationship to the  
796 project warrant such action. A recommendation for waiver by  
797 Enterprise Florida, Inc., must include a specific justification  
798 for the waiver and be transmitted to the office in writing. If  
799 the director elects to waive the wage requirement, the waiver  
800 must be stated in writing and the reasons for granting the waiver  
801 must be explained.

802 (b) A research and development project must:

803 1. Serve as a catalyst for an emerging or evolving  
804 technology cluster.

805 2. Demonstrate a plan for significant higher education  
806 collaboration.

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807           3. Provide the state, at a minimum, a break-even return on  
808 investment within a 20-year period.

809           4. Be provided with a one-to-one match from the local  
810 community. The match requirement may be reduced or waived in  
811 rural areas of critical economic concern or reduced in rural  
812 areas, brownfield areas, and enterprise zones.

813           (c) An innovation business project in this state, other  
814 than a research and development project, must:

815           1.a. Result in the creation of at least 1,000 direct, new  
816 jobs at the business; or

817           b. Result in the creation of at least 500 direct, new jobs  
818 if the project is located in a rural area, a brownfield area, or  
819 an enterprise zone.

820           2. Have an activity or product that is within an industry  
821 that is designated as a target industry business under s. 288.106  
822 or a designated sector under s. 288.108.

823           3.a. Have a cumulative investment of at least \$500 million  
824 within a 5-year period; or

825           b. Have a cumulative investment that exceeds \$250 million  
826 within a 10-year period if the project is located in a rural  
827 area, brownfield area, or an enterprise zone.

828           4. Be provided with a one-to-one match from the local  
829 community. The match requirement may be reduced or waived in  
830 rural areas of critical economic concern or reduced in rural  
831 areas, brownfield areas, and enterprise zones.

832           (5) Enterprise Florida, Inc., shall evaluate proposals for  
833 innovation incentive awards and transmit recommendations for  
834 awards to the office. Such evaluation and recommendation must  
835 include, but need not be limited to:

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836 (a) A description of the project, its required facilities,  
837 and the associated product, service, or research and development  
838 associated with the project.

839 (b) The percentage of match provided for the project.

840 (c) The number of full-time equivalent jobs that will be  
841 created by the project, the total estimated average annual wages  
842 of such jobs, the average annual wages of nonmanagement and  
843 nonresearch jobs, and the types of business activities and jobs  
844 likely to be stimulated by the project.

845 (d) The cumulative investment to be dedicated to the  
846 project within 5 years and the total investment expected in the  
847 project if more than 5 years.

848 (e) The projected economic and fiscal impacts on the local  
849 and state economies relative to investment.

850 (f) A statement of any special impacts the project is  
851 expected to stimulate in a particular business sector in the  
852 state or regional economy or in the state's universities and  
853 community colleges.

854 (g) A statement of any anticipated or proposed  
855 relationships with state universities.

856 (h) A statement of the role the incentive is expected to  
857 play in the decision of the applicant to locate or expand in this  
858 state.

859 (i) A recommendation and explanation of the amount of the  
860 award needed to cause the applicant to expand or locate in this  
861 state.

862 (j) A discussion of the efforts and commitments made by the  
863 local community in which the project is to be located to induce

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864 the applicant's location or expansion, taking into consideration  
865 local resources and abilities.

866 (k) A recommendation for specific performance criteria the  
867 applicant would be expected to achieve in order to receive  
868 payments from the fund and penalties or sanctions for failure to  
869 meet or maintain performance conditions.

870 (l) For a research and development facility project:

871 1. A description of the extent to which the project has the  
872 potential to serve as catalyst for an emerging or evolving  
873 cluster.

874 2. A description of the extent to which the project has or  
875 could have a long-term collaborative research and development  
876 relationship with one or more universities or community colleges  
877 in this state.

878 3. A description of the existing or projected impact of the  
879 project on established clusters or targeted industry sectors.

880 4. A description of the project's contribution to the  
881 diversity and resiliency of the innovation economy of this state.

882 5. A description of the project's impact on special needs  
883 communities, including, but not limited to, rural areas,  
884 distressed urban areas, and enterprise zones.

885 (6) In consultation with Enterprise Florida, Inc., the  
886 office may negotiate the proposed amount of an award for any  
887 applicant meeting the requirements of this section. In  
888 negotiating such award, the office shall consider the amount of  
889 the incentive needed to cause the applicant to locate or expand  
890 in this state in conjunction with other relevant applicant impact  
891 and cost information and analysis as described in this section.  
892 Particular emphasis shall be given to the potential for the

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893 project to stimulate additional private investment and high-  
894 quality employment opportunities in the area.

895 (7) (a) Upon receipt of the evaluation and recommendation  
896 from Enterprise Florida, Inc., the director shall recommend to  
897 the Governor the approval or disapproval of an award. In  
898 recommending approval of an award, the director shall include  
899 proposed performance conditions that the applicant must meet in  
900 order to obtain incentive funds and any other conditions that  
901 must be met before the receipt of any incentive funds. The  
902 Governor shall consult with the President of the Senate and the  
903 Speaker of the House of Representatives before giving approval  
904 for an award. Upon review and approval of an award by the  
905 Legislative Budget Commission, the Executive Office of the  
906 Governor shall release the funds ~~pursuant to the legislative~~  
907 ~~consultation and review requirements set forth in s. 216.177.~~

908 (b) No more than 50 percent of the total appropriation for  
909 the Innovation Incentive Grant Program in any given fiscal year  
910 may be awarded to projects representing any one of the following  
911 industries: life sciences, aviation, aerospace, alternative  
912 energy, robotics, nanotechnology, or information technology.

913 (8) After the conditions ~~Upon approval by the Governor and~~  
914 ~~release of the funds as~~ set forth in subsection (7) have been  
915 met, the director shall issue a letter certifying the applicant  
916 as qualified for an award. The office and the award recipient  
917 ~~applicant~~ shall enter into an agreement that sets forth the  
918 conditions for payment of incentives. The agreement must include  
919 at a minimum:

920 (a) The total amount of funds awarded.†



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921           (b) The performance conditions that must be met to obtain  
922 the award or portions of the award, including, but not limited  
923 to, net new employment in the state, average wage, and total  
924 cumulative investment. Where applicable, the performance  
925 conditions must at least be at the levels specified in this  
926 section for an applicant to qualify for consideration for an  
927 Innovation Incentive Program grant award.†

928           (c) Demonstration of a baseline of current service and a  
929 measure of enhanced capability.†

930           (d) The methodology for validating performance.†

931           (e) The schedule of payments.† ~~and~~

932           (f)1. A reinvestment requirement. Each award recipient  
933 shall be required to reinvest between 10 percent and 15 percent  
934 of the net royalty revenues, including revenues from spin-off  
935 companies and the revenues from the sale of stock it receives  
936 from the licensing or transfer of inventions, methods, processes,  
937 and other patentable discoveries conceived or reduced to practice  
938 using its Florida facilities or its Florida-based employees, in  
939 whole or in part, and to which the grant recipient becomes  
940 entitled during the 20 years following the effective date of its  
941 agreement with the state. Each award recipient also shall  
942 reinvest between 10 percent and 15 percent of the gross revenues  
943 it receives from naming opportunities associated with any  
944 facility it builds in this state.

945           2. Reinvestment payments under this paragraph shall commence  
946 no later than 6 months after the grant recipient has received the  
947 final disbursement under the contract and continue until the  
948 maximum reinvestment, as specified in the contract, has been  
949 paid. Reinvestment payments shall be remitted to the state for

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950 deposit in the Biomedical Research Trust Fund for companies that  
951 specialize in biomedicine or life sciences, or in the Economic  
952 Development Trust Fund for companies that specialize in fields  
953 other than biomedicine or the life sciences, except that 10  
954 percent of each reinvestment payment shall be deposited in the  
955 Building Florida's Future Revolving Loan Guarantee Fund for its  
956 specified purposes. If these trust funds no longer exist at the  
957 time of the reinvestment, the state's share of reinvestment shall  
958 be deposited in their successor trust funds, as determined by  
959 law. Each award recipient shall annually submit a schedule of the  
960 shares of stock held by it as payment of the royalty required by  
961 this paragraph and report on any trades or activity concerning  
962 such stock. Each award recipient's reinvestment obligations  
963 survives the expiration or termination of its agreement with the  
964 state.

965 (g) Sanctions for failure to meet performance conditions,  
966 including any clawback provisions.

967 (h) Requirements for the establishment of internship  
968 programs or other learning opportunities for educators and  
969 secondary, postsecondary, graduate, and doctoral students.

970 (i) Requirements for each award recipient to submit  
971 quarterly reports and annual reports related to activities and  
972 performance to the office and to Enterprise Florida, Inc.

973 (j) An annual accounting to the office of the expenditure  
974 of funds disbursed under this section.

975 (k) A process for amending the agreement.

976 (9) Enterprise Florida, Inc., shall assist the office in  
977 validating the performance of an innovation business or research  
978 and development facility that has received an award.

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979           (10) At the conclusion of the innovation incentive award  
980 agreement, or its earlier termination, Enterprise Florida, Inc.,  
981 shall, within 90 days, report the results of the innovation  
982 incentive award to the Governor, the President of the Senate, and  
983 the Speaker of the House of Representatives.

984           (11)-(10) Each award recipient shall comply with Enterprise  
985 Florida, Inc., shall develop business ethics standards developed  
986 by Enterprise Florida, Inc., which are based on appropriate best  
987 industry practices which shall be applicable to all award  
988 recipients. The standards shall address ethical duties of  
989 business enterprises, fiduciary responsibilities of management,  
990 and compliance with the laws of this state. ~~Enterprise Florida,~~  
991 ~~Inc., may collaborate with the State University System in~~  
992 ~~reviewing and evaluating appropriate business ethics standards.~~  
993 ~~Such standards shall be provided to the Governor, the President~~  
994 ~~of the Senate, and the Speaker of the House of Representatives by~~  
995 ~~December 31, 2006. An award agreement entered into on or after~~  
996 ~~December 31, 2006, shall require a recipient to comply with the~~  
997 ~~business ethics standards developed pursuant to this section.~~

998           Section 3. This act shall take effect upon becoming a law.