

By the Committee on Transportation and Economic Development
Appropriations; and Senators Fasano and Crist

606-07363-08

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1 A bill to be entitled
2 An act relating to economic development; creating s.
3 288.061, F.S.; creating a uniform process for the review
4 and certification of economic development incentive
5 projects by Enterprise Florida, Inc., and the Office of
6 Tourism, Trade, and Economic Development; amending ss.
7 288.063 and 288.0655, F.S.; conforming the review of
8 transportation projects and rural infrastructure projects
9 to changes made by the act; amending s. 288.1045, F.S.;
10 revising the sources of funds that may be used to provide
11 refunds for the qualified defense contractor tax refund
12 program; conforming the review of Department of Defense
13 projects to changes made by the act; providing that the
14 amount of the tax refund may be reduced by the value of
15 the land granted; deleting a requirement for an annual
16 report; amending s. 288.106. F.S.; revising information
17 that must be submitted by a qualified target industry
18 business applying for a tax refund; conforming the
19 application process to changes made by the act; amending
20 s. 288.107, F.S.; conforming review of applications for
21 payment of brownfield redevelopment bonus refunds to
22 changes made by the act; amending s. 288.108, F.S.;
23 conforming the review of grant applications for high-
24 impact businesses to changes made by the act; deleting
25 provisions requiring an annual report; amending s.
26 288.1088, F.S.; conforming the review of projects funded
27 by the Quick Action Closing Fund to changes made by the
28 act; amending s. 288.1089, F.S.; providing definitions;
29 revising application requirements for innovation incentive

606-07363-08

20082778c1

30 awards; revising evaluation and recommendation
31 requirements for innovative incentive awards; requiring
32 the Legislative Budget Commission to review and approve an
33 innovation incentive award before the Executive Office of
34 the Governor releases the funds; revising agreement
35 requirements for payment of incentives; requiring award
36 recipients to comply with certain business ethics
37 developed by Enterprise Florida, Inc.; amending s.
38 288.955, F.S.; revising definitions; requiring the Scripps
39 Florida Funding Corporation, along with the Office of
40 Tourism, Trade, and Economic Development and Enterprise
41 Florida, Inc., to review the performance and progress of
42 grant recipients of the Innovation Incentive Program;
43 revising membership requirements of the board of directors
44 of the Scripps Florida Funding Corporation; authorizing
45 the corporation to include on the same meeting agenda
46 matters related to The Scripps Research Institute and the
47 Innovation Incentive Program; deleting obsolete
48 provisions; revising the duties of the corporation;
49 revising the contract requirements between the corporation
50 and the grant recipients; requiring the corporation to
51 submit to the Governor and the Legislature a report
52 related to the activities of the Innovation Incentive
53 Program; providing requirements for the report; amending
54 s. 288.9624, F.S.; providing that venture-capital funds
55 affiliated with certain state universities are eligible
56 for investment by the Florida Opportunity Fund; providing
57 an effective date.

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606-07363-08

20082778c1

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

60
61 Section 1. Section 288.061, Florida Statutes, is created to
62 read:

63 288.061 Economic development incentive application
64 process.--

65 (1) In order to expedite and provide a quick review process
66 for certifying economic development incentive applications under
67 this part, Enterprise Florida, Inc., shall review each submitted
68 application and inform the applicant if its application is not
69 complete within 10 business days. Once the application is deemed
70 complete, Enterprise Florida, Inc., shall have 10 business days
71 to evaluate the application and recommend approval or disapproval
72 to the director of the Office of Tourism, Trade, and Economic
73 Development. In recommending approval, Enterprise Florida, Inc.,
74 shall include in its evaluation a recommended grant award amount
75 and a review of the applicant's ability to meet specific program
76 criteria.

77 (2) Upon receipt of the evaluation and recommendation of
78 Enterprise Florida, Inc., the Office of Tourism, Trade, and
79 Economic Development shall have 10 calendar days to notify
80 Enterprise Florida, Inc., if the application is not complete. The
81 director shall have 35 calendar days following the time the
82 recommendation is received from Enterprise Florida, Inc., to
83 review the application and issue a letter of certification to the
84 applicant which approves or disapproves the application and
85 includes justification, unless the applicant requests an
86 extension of time. The final order shall specify the total amount
87 of the award, the performance conditions that must be met in

606-07363-08

20082778c1

88 order to obtain the award, and the schedule for payment.

89 Section 2. Subsection (4) of section 288.063, Florida
90 Statutes, is amended to read:

91 288.063 Contracts for transportation projects.--

92 (4) The Office of Tourism, Trade, and Economic Development
93 may adopt criteria by which transportation projects are to be
94 reviewed and certified in accordance with s. 288.061 ~~specified~~
95 ~~and identified~~. In approving transportation projects for funding,
96 the office ~~of Tourism, Trade, and Economic Development~~ shall
97 consider factors including, but not limited to, the cost per job
98 created or retained considering the amount of transportation
99 funds requested; the average hourly rate of wages for jobs
100 created; the reliance on the program as an inducement for the
101 project's location decision; the amount of capital investment to
102 be made by the business; the demonstrated local commitment; the
103 location of the project in an enterprise zone designated pursuant
104 to s. 290.0055; the location of the project in a spaceport
105 territory as defined in s. 331.304; the unemployment rate of the
106 surrounding area; the poverty rate of the community; and the
107 adoption of an economic element as part of its local
108 comprehensive plan in accordance with s. 163.3177(7)(j). The
109 office ~~of Tourism, Trade, and Economic Development~~ may contact
110 any agency it deems appropriate for additional input regarding
111 the approval of projects.

112 Section 3. Subsection (3) of section 288.0655, Florida
113 Statutes, is amended to read:

114 288.0655 Rural Infrastructure Fund.--

115 (3) The office, in consultation with Enterprise Florida,
116 Inc., VISIT Florida, the Department of Environmental Protection,

606-07363-08

20082778c1

117 and the Florida Fish and Wildlife Conservation Commission, as
118 appropriate, shall review and certify applications pursuant to s.
119 288.061. The review shall include an evaluation of ~~and evaluate~~
120 the economic benefit of the projects and their long-term
121 viability. The office shall have final approval for any grant
122 under this section ~~and must make a grant decision within 30 days~~
123 ~~of receiving a completed application.~~

124 Section 4. Paragraph (f) of subsection (2), paragraphs (b),
125 (c), (d), (g), and (h) of subsection (3), paragraph (c) of
126 subsection (5), and paragraphs (d) and (e) of subsection (6) of
127 section 288.1045, Florida Statutes, are amended to read:

128 288.1045 Qualified defense contractor tax refund program.--

129 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.--

130 (f) After entering into a tax refund agreement pursuant to
131 subsection (4), a qualified applicant may:

132 1. Receive refunds from the account for corporate income
133 taxes due and paid pursuant to chapter 220 by that business
134 beginning with the first taxable year of the business after
135 entering into the agreement.

136 2. Receive funds from the General Revenue Fund and the
137 Economic Development Trust Fund for the following taxes due and
138 paid by that business ~~the qualified applicant beginning with the~~
139 ~~applicant's first taxable year that begins after entering into~~
140 the agreement:

141 ~~a.1.~~ Taxes on sales, use, and other transactions paid
142 pursuant to chapter 212.

143 ~~2. Corporate income taxes paid pursuant to chapter 220.~~

144 ~~b.3.~~ Intangible personal property taxes paid pursuant to
145 chapter 199.

606-07363-08

20082778c1

146 ~~c.4.~~ Emergency excise taxes paid pursuant to chapter 221.

147 ~~d.5.~~ Excise taxes paid on documents pursuant to chapter
148 201.

149 ~~e.6.~~ Ad valorem taxes paid, as defined in s. 220.03(1)(a)
150 on June 1, 1996.

151 ~~f.7.~~ State communications services taxes administered under
152 chapter 202. This provision does not apply to the gross receipts
153 tax imposed under chapter 203 and administered under chapter 202
154 or the local communications services tax authorized under s.
155 202.19.

156

157 However, a qualified applicant may not receive a tax refund
158 pursuant to this section for any amount of credit, refund, or
159 exemption granted such contractor for any of such taxes. If a
160 refund for such taxes is provided by the office, which taxes are
161 subsequently adjusted by the application of any credit, refund,
162 or exemption granted to the qualified applicant other than that
163 provided in this section, the qualified applicant shall reimburse
164 the Economic Development Trust Fund for the amount of such
165 credit, refund, or exemption. A qualified applicant must notify
166 and tender payment to the office within 20 days after receiving a
167 credit, refund, or exemption, other than that provided in this
168 section. The addition of communications services taxes
169 administered under chapter 202 is remedial in nature and
170 retroactive to October 1, 2001. The office may make supplemental
171 tax refund payments to allow for tax refunds for communications
172 services taxes paid by an eligible qualified defense contractor
173 after October 1, 2001.

174 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY

606-07363-08

20082778c1

175 DETERMINATION.--

176 (b) Applications for certification based on the
177 consolidation of a Department of Defense contract or a new
178 Department of Defense contract must be submitted to the office as
179 prescribed by the office and must include, but are not limited
180 to, the following information:

181 1. The applicant's federal employer identification number,
182 the applicant's Florida sales tax registration number, and the a
183 ~~notarized~~ signature of an officer of the applicant.

184 2. The permanent location of the manufacturing, assembling,
185 fabricating, research, development, or design facility in this
186 state at which the project is or is to be located.

187 3. The Department of Defense contract numbers of the
188 contract to be consolidated, the new Department of Defense
189 contract number, or the "RFP" number of a proposed Department of
190 Defense contract.

191 4. The date the contract was executed or is expected to be
192 executed, and the date the contract is due to expire or is
193 expected to expire.

194 5. The commencement date for project operations under the
195 contract in this state.

196 6. The number of net new full-time equivalent Florida jobs
197 included in the project as of December 31 of each year and the
198 average wage of such jobs.

199 7. The total number of full-time equivalent employees
200 employed by the applicant in this state.

201 8. The percentage of the applicant's gross receipts derived
202 from Department of Defense contracts during the 5 taxable years
203 immediately preceding the date the application is submitted.

606-07363-08

20082778c1

204 9. The number of full-time equivalent jobs in this state to
205 be retained by the project.

206 ~~10. The estimated amount of tax refunds to be claimed for~~
207 ~~each fiscal year.~~

208 10.11. A brief statement concerning the applicant's need
209 for tax refunds, and the proposed uses of such refunds by the
210 applicant.

211 11.12. A resolution adopted by the governing board ~~county~~
212 ~~commissioners~~ of the county or municipality in which the project
213 will be located, which recommends that the applicant be approved
214 as a qualified applicant, and which indicates that the necessary
215 commitments of local financial support for the applicant exist.
216 Prior to the adoption of the resolution, the county commission
217 may review the proposed public or private sources of ~~such~~ support
218 and determine whether the proposed sources of local financial
219 support can be provided or, for any applicant whose project is
220 located in a county designated by the Rural Economic Development
221 Initiative, a resolution adopted by the county commissioners of
222 such county requesting that the applicant's project be exempt
223 from the local financial support requirement.

224 12.13. Any additional information requested by the office.

225 (c) Applications for certification based on the conversion
226 of defense production jobs to nondefense production jobs must be
227 submitted to the office as prescribed by the office and must
228 include, but are not limited to, the following information:

229 1. The applicant's federal employer identification number,
230 the applicant's Florida sales tax registration number, and a
231 ~~notarized~~ signature of an officer of the applicant.

232 2. The permanent location of the manufacturing, assembling,

606-07363-08

20082778c1

233 fabricating, research, development, or design facility in this
234 state at which the project is or is to be located.

235 3. The Department of Defense contract numbers of the
236 contract under which the defense production jobs will be
237 converted to nondefense production jobs.

238 4. The date the contract was executed, and the date the
239 contract is due to expire or is expected to expire, or was
240 canceled.

241 5. The commencement date for the nondefense production
242 operations in this state.

243 6. The number of net new full-time equivalent Florida jobs
244 included in the nondefense production project as of December 31
245 of each year and the average wage of such jobs.

246 7. The total number of full-time equivalent employees
247 employed by the applicant in this state.

248 8. The percentage of the applicant's gross receipts derived
249 from Department of Defense contracts during the 5 taxable years
250 immediately preceding the date the application is submitted.

251 9. The number of full-time equivalent jobs in this state to
252 be retained by the project.

253 ~~10. The estimated amount of tax refunds to be claimed for~~
254 ~~each fiscal year.~~

255 10.11. A brief statement concerning the applicant's need
256 for tax refunds, and the proposed uses of such refunds by the
257 applicant.

258 11.12. A resolution adopted by the governing board ~~county~~
259 ~~commissioners~~ of the county or municipality in which the project
260 will be located, which recommends that the applicant be approved
261 as a qualified applicant, and which indicates that the necessary

606-07363-08

20082778c1

262 commitments of local financial support for the applicant exist.
263 Prior to the adoption of the resolution, the county commission
264 may review the proposed public or private sources of ~~such~~ support
265 and determine whether the proposed sources of local financial
266 support can be provided or, for any applicant whose project is
267 located in a county designated by the Rural Economic Development
268 Initiative, a resolution adopted by the county commissioners of
269 such county requesting that the applicant's project be exempt
270 from the local financial support requirement.

271 ~~12.13-~~ Any additional information requested by the office.

272 (d) Applications for certification based on a contract for
273 reuse of a defense-related facility must be submitted to the
274 office as prescribed by the office and must include, but are not
275 limited to, the following information:

276 1. The applicant's Florida sales tax registration number
277 and the ~~a notarized~~ signature of an officer of the applicant.

278 2. The permanent location of the manufacturing, assembling,
279 fabricating, research, development, or design facility in this
280 state at which the project is or is to be located.

281 3. The business entity holding a valid Department of
282 Defense contract or branch of the Armed Forces of the United
283 States that previously occupied the facility, and the date such
284 entity last occupied the facility.

285 4. A copy of the contract to reuse the facility, or such
286 alternative proof as may be prescribed by the office that the
287 applicant is seeking to contract for the reuse of such facility.

288 5. The date the contract to reuse the facility was executed
289 or is expected to be executed, and the date the contract is due
290 to expire or is expected to expire.

606-07363-08

20082778c1

291 6. The commencement date for project operations under the
292 contract in this state.

293 7. The number of net new full-time equivalent Florida jobs
294 included in the project as of December 31 of each year and the
295 average wage of such jobs.

296 8. The total number of full-time equivalent employees
297 employed by the applicant in this state.

298 9. The number of full-time equivalent jobs in this state to
299 be retained by the project.

300 ~~10. The estimated amount of tax refunds to be claimed for~~
301 ~~each fiscal year.~~

302 10.11. A brief statement concerning the applicant's need
303 for tax refunds, and the proposed uses of such refunds by the
304 applicant.

305 11.12. A resolution adopted by the governing board ~~county~~
306 ~~commissioners~~ of the county or municipality in which the project
307 will be located, which recommends that the applicant be approved
308 as a qualified applicant, and which indicates that the necessary
309 commitments of local financial support for the applicant exist.
310 Prior to the adoption of the resolution, the county commission
311 may review the proposed public or private sources of ~~such~~ support
312 and determine whether the proposed sources of local financial
313 support can be provided or, for any applicant whose project is
314 located in a county designated by the Rural Economic Development
315 Initiative, a resolution adopted by the county commissioners of
316 such county requesting that the applicant's project be exempt
317 from the local financial support requirement.

318 12.13. Any additional information requested by the office.

319 (g) Applications shall be reviewed and certified pursuant

606-07363-08

20082778c1

320 to s. 288.061. If appropriate, the director shall enter into a
321 written agreement with the qualified applicant pursuant to
322 subsection (4). ~~The office shall forward its written findings and~~
323 ~~evaluation on each application meeting the requirements of~~
324 ~~paragraphs (b) and (c), paragraphs (c) and (e), or paragraphs (d)~~
325 ~~and (e) to the director within 60 calendar days after receipt of~~
326 ~~a complete application. The office shall notify each applicant~~
327 ~~when its application is complete, and when the 60-day period~~
328 ~~begins. In its written report to the director, the office shall~~
329 ~~specifically address each of the factors specified in paragraph~~
330 ~~(f), and shall make a specific assessment with respect to the~~
331 ~~minimum requirements established in paragraph (e). The office~~
332 ~~shall include in its report projections of the tax refunds the~~
333 ~~applicant would be eligible to receive in each fiscal year based~~
334 ~~on the creation and maintenance of the net new Florida jobs~~
335 ~~specified in subparagraph (b) 6., subparagraph (c) 6., or~~
336 ~~subparagraph (d) 7. as of December 31 of the preceding state~~
337 ~~fiscal year.~~

338 ~~(h) Within 30 days after receipt of the office's findings~~
339 ~~and evaluation, the director shall issue a letter of~~
340 ~~certification which either approves or disapproves an~~
341 ~~application. The decision must be in writing and provide the~~
342 ~~justifications for either approval or disapproval. If~~
343 ~~appropriate, the director shall enter into a written agreement~~
344 ~~with the qualified applicant pursuant to subsection (4).~~

345 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE
346 CONTRACTOR.--

347 (c) A tax refund may not be approved for any qualified
348 applicant unless local financial support has been paid to the

606-07363-08

20082778c1

349 Economic Development Trust Fund for that refund. If the local
350 financial support is less than 20 percent of the approved tax
351 refund, the tax refund shall be reduced. The tax refund paid may
352 not exceed 5 times the local financial support received. Funding
353 from local sources includes tax abatement under s. 196.1995 or
354 the appraised market value of municipal or county land, including
355 any improvements or structures conveyed or provided at a discount
356 through a sale of lease to that ~~provided to a qualified~~
357 applicant. The amount of any tax refund for an applicant approved
358 under this section shall be reduced by the amount of any ~~such~~ tax
359 abatement granted or the value of the land granted, including the
360 value of any improvements or structures, and the limitations in
361 subsection (2) and paragraph (3)(h) shall be reduced by the
362 amount of any such tax abatement or the value of the land
363 granted, including any improvements or structures. A report
364 listing all sources of ~~the~~ local financial support shall be
365 provided to the office if ~~when~~ such support is paid to the
366 Economic Development Trust Fund.

367 (6) ADMINISTRATION.--

368 ~~(d) By December 1 of each year, the office shall submit a~~
369 ~~complete and detailed report to the Governor, the President of~~
370 ~~the Senate, and the Speaker of the House of Representatives of~~
371 ~~all tax refunds paid under this section, including analyses of~~
372 ~~benefits and costs, types of projects supported, employment and~~
373 ~~investment created, geographic distribution of tax refunds~~
374 ~~granted, and minority business participation. The report must~~
375 ~~indicate whether the moneys appropriated by the Legislature to~~
376 ~~the qualified applicant tax refund program were expended in a~~
377 ~~prudent, fiducially sound manner.~~

606-07363-08

20082778c1

378 (d)~~(e)~~ Funds specifically appropriated for the tax refund
379 program under this section may not be used for any purpose other
380 than the payment of tax refunds authorized by this section.

381 Section 5. Subsection (3) of section 288.106, Florida
382 Statutes, is amended to read:

383 288.106 Tax refund program for qualified target industry
384 businesses.--

385 (3) APPLICATION AND APPROVAL PROCESS.--

386 (a) To apply for certification as a qualified target
387 industry business under this section, the business must file an
388 application with the office before the business has made the
389 decision to locate a new business in this state or before the
390 business had made the decision to expand an existing business in
391 this state. The application must ~~shall~~ include, but is not
392 limited to, the following information:

393 1. The applicant's federal employer identification number
394 and the applicant's state sales tax registration number.

395 2. The permanent location of the applicant's facility in
396 this state at which the project is or is to be located.

397 3. A description of the type of business activity or
398 product covered by the project, including, at a minimum, the
399 NAICS ~~four-digit SIC~~ codes for all activities included in the
400 project.

401 4. The number of net new full-time equivalent state ~~Florida~~
402 jobs at the qualified target industry business as of December 31
403 of each year included in the project and the average wage for ~~of~~
404 those jobs. If more than one type of business activity or product
405 is included in the project, the number of jobs and average wage
406 for those jobs must be separately stated for each type of

606-07363-08

20082778c1

407 business activity or product.

408 5. The total number of full-time equivalent employees
409 employed by the applicant in this state.

410 6. The anticipated commencement date of the project.

411 7. A brief statement concerning the role that the tax
412 refunds requested will play in the decision of the applicant to
413 locate or expand in this state.

414 8. An estimate of the proportion of the sales resulting
415 from the project that will be made outside this state.

416 9. A resolution adopted by the governing board of the
417 county or municipality in which the project will be located,
418 which resolution recommends that certain types of businesses be
419 approved as a qualified target industry business and states that
420 the commitments of local financial support necessary for the
421 target industry business exist. In advance of the passage of such
422 resolution, the office may also accept an official letter from an
423 authorized local economic development agency that endorses the
424 proposed target industry project and pledges that sources of
425 local financial support for such project exist. For the purposes
426 of making pledges of local financial support under this
427 subsection, the authorized local economic development agency must
428 ~~shall~~ be officially designated by the passage of a one-time
429 resolution by the local governing authority.

430 10. Any additional information requested by the office.

431 (b) To qualify for review by the office, the application of
432 a target industry business must, at a minimum, establish the
433 following to the satisfaction of the office:

434 1. The jobs proposed to be provided under the application,
435 pursuant to subparagraph (a)4., must pay an estimated annual

606-07363-08

20082778c1

436 average wage equaling at least 115 percent of the average private
437 sector wage in the area where the business is to be located or
438 the statewide private sector average wage. In determining the
439 average annual wage, the office shall include only new proposed
440 jobs, and wages for existing jobs shall be excluded from the
441 calculation. The office may waive the ~~this~~ average wage
442 requirement at the request of the local governing body
443 recommending the project and Enterprise Florida, Inc. The wage
444 requirement may only be waived for a project located in a
445 brownfield area designated under s. 376.80, ~~or~~ in a rural city or
446 county, or in an enterprise zone and only when the merits of the
447 individual project or the specific circumstances in the community
448 in relationship to the project warrant such action. If the local
449 governing body and Enterprise Florida, Inc., make such a
450 recommendation, it must be transmitted in writing and the
451 specific justification for the waiver recommendation must be
452 explained. If the director elects to waive the wage requirement,
453 the waiver must be stated in writing and the reasons for granting
454 the waiver must be explained.

455 2. The target industry business's project must result in
456 the creation of at least 10 jobs at such project and, if an
457 expansion of an existing business, must result in a net increase
458 in employment of at least ~~not less than~~ 10 percent at the ~~such~~
459 business. Notwithstanding the definition of the term "expansion
460 of an existing business" in paragraph (1)(g), at the request of
461 the local governing body recommending the project and Enterprise
462 Florida, Inc., the office may define an "expansion of an existing
463 business" in a rural community or an enterprise zone as the
464 expansion of a business resulting in a net increase in employment

606-07363-08

20082778c1

465 of less than 10 percent at such business if the merits of the
466 individual project or the specific circumstances in the community
467 in relationship to the project warrant such action. If the local
468 governing body and Enterprise Florida, Inc., make such a request,
469 it must be transmitted in writing and the specific justification
470 for the request must be explained. If the director elects to
471 grant the ~~such~~ request, it ~~such election~~ must be stated in
472 writing and the reason for granting the request must be
473 explained.

474 3. The business activity or product for the applicant's
475 project is within an industry or industries that have been
476 identified by the office to be high-value-added industries that
477 contribute to the area and to the economic growth of the state
478 and that produce a higher standard of living for residents
479 ~~citizens~~ of this state in the new global economy or that can be
480 shown to make an equivalent contribution to the area and state's
481 economic progress. The director must approve requests to waive
482 the wage requirement for brownfield areas designated under s.
483 376.80 unless it is demonstrated that such action is not in the
484 public interest.

485 (c) Each application meeting the requirements of paragraph
486 (b) must be submitted to the office for determination of
487 eligibility. The office shall review and evaluate each
488 application based on, but not limited to, the following criteria:

489 1. Expected contributions to the state strategic economic
490 development plan adopted by Enterprise Florida, Inc., taking into
491 account the long-term effects of the project and of the applicant
492 on the state economy.

493 2. The economic benefit of the jobs created by the project

606-07363-08

20082778c1

494 in this state, taking into account the cost and average wage of
495 each job created.

496 3. The amount of capital investment to be made by the
497 applicant in this state.

498 4. The local commitment and support for the project.

499 5. The effect of the project on the local community, taking
500 into account the unemployment rate for the county where the
501 project will be located.

502 6. The effect of any tax refunds granted pursuant to this
503 section on the viability of the project and the probability that
504 the project will be undertaken in this state if such tax refunds
505 are granted to the applicant, taking into account the expected
506 long-term commitment of the applicant to economic growth and
507 employment in this state.

508 7. The expected long-term commitment to this state
509 resulting from the project.

510 8. A review of the business's past activities in this state
511 or other states, including whether such business has been
512 subjected to criminal or civil fines and penalties. ~~Nothing in~~
513 This subparagraph does not ~~shall~~ require the disclosure of
514 confidential information.

515 (d) Applications shall be reviewed and certified pursuant
516 to s. 288.061 ~~The office shall forward its written findings and~~
517 ~~evaluation concerning each application meeting the requirements~~
518 ~~of paragraph (b) to the director within 45 calendar days after~~
519 ~~receipt of a complete application. The office shall notify each~~
520 ~~target industry business when its application is complete, and of~~
521 ~~the time when the 45-day period begins. In its written report to~~
522 ~~the director, the office shall specifically address each of the~~

606-07363-08

20082778c1

523 ~~factors specified in paragraph (c) and shall make a specific~~
524 ~~assessment with respect to the minimum requirements established~~
525 ~~in paragraph (b).~~ The office shall include in its review report
526 projections of the tax refunds the business would be eligible to
527 receive in each fiscal year based on the creation and maintenance
528 of the net new Florida jobs specified in subparagraph (a)4. as of
529 December 31 of the preceding state fiscal year.

530 ~~(e)1. Within 30 days after receipt of the office's findings~~
531 ~~and evaluation, the director shall issue a letter of~~
532 ~~certification that either approves or disapproves the application~~
533 ~~of the target industry business. The decision must be in writing~~
534 ~~and must provide the justifications for approval or disapproval.~~

535 ~~2. If appropriate, the director shall enter into a written~~
536 ~~agreement with the qualified target industry business pursuant to~~
537 ~~subsection (4).~~

538 ~~(e)(f)~~ The director may not certify any target industry
539 business as a qualified target industry business if the value of
540 tax refunds to be included in that letter of certification
541 exceeds the available amount of authority to certify new
542 businesses as determined in s. 288.095(3). However, if the
543 commitments of local financial support represent less than 20
544 percent of the eligible tax refund payments, or to otherwise
545 preserve the viability and fiscal integrity of the program, the
546 director may certify a qualified target industry business to
547 receive tax refund payments of less than the allowable amounts
548 specified in paragraph (2) (b). A letter of certification that
549 approves an application must specify the maximum amount of tax
550 refund that will be available to the qualified industry business
551 in each fiscal year and the total amount of tax refunds that will

606-07363-08

20082778c1

552 | be available to the business for all fiscal years.

553 | ~~(f)(g) Nothing in~~ This section does not shall create a
554 | presumption that an applicant shall will receive any tax refunds
555 | under this section. However, the office may issue nonbinding
556 | opinion letters, upon the request of prospective applicants, as
557 | to the applicants' eligibility and the potential amount of
558 | refunds.

559 | Section 6. Paragraph (f) of subsection (4) of section
560 | 288.107, Florida Statutes, is amended to read:

561 | 288.107 Brownfield redevelopment bonus refunds.--

562 | (4) PAYMENT OF BROWNFIELD REDEVELOPMENT BONUS REFUNDS.--

563 | (f) Applications shall be reviewed and certified pursuant
564 | to s. 288.106. The office shall review all applications submitted
565 | under s. 288.106 or other similar application forms for other
566 | eligible businesses as defined in paragraph (1)(e) which indicate
567 | that the proposed project will be located in a brownfield and
568 | determine, with the assistance of the Department of Environmental
569 | Protection, that the project location is within a brownfield as
570 | provided in this act.

571 | Section 7. Paragraphs (b), (c), and (d) of subsection (5)
572 | and subsections (7) and (8) of section 288.108, Florida Statutes,
573 | are amended to read:

574 | 288.108 High-impact business.--

575 | (5) APPLICATIONS; CERTIFICATION PROCESS; GRANT AGREEMENT.--

576 | (b) Applications shall be reviewed and certified pursuant
577 | to s. 288.106 ~~Enterprise Florida, Inc., shall review each~~
578 | ~~submitted application and inform the applicant business whether~~
579 | ~~or not its application is complete within 10 working days. Once~~
580 | ~~the application is deemed complete, Enterprise Florida, Inc., has~~

606-07363-08

20082778c1

581 ~~10 working days within which to evaluate the application and~~
582 ~~recommend approval or disapproval of the application to the~~
583 ~~director. In recommending an applicant business for approval,~~
584 ~~Enterprise Florida, Inc., shall include a recommended grant award~~
585 ~~amount in its evaluation forwarded to the office.~~

586 ~~(c) Upon receipt of the evaluation and recommendation of~~
587 ~~Enterprise Florida, Inc., the director has 5 working days to~~
588 ~~enter a final order that either approves or disapproves an~~
589 ~~applicant business as a qualified high-impact business facility,~~
590 ~~unless the business requests an extension of the time. The final~~
591 ~~order shall specify the total amount of the qualified high-impact~~
592 ~~business facility performance grant award, the performance~~
593 ~~conditions that must be met to obtain the award, and the schedule~~
594 ~~for payment of the performance grant.~~

595 ~~(c)(d)~~ (c) The director and the qualified high-impact business
596 shall enter into a performance grant agreement setting forth the
597 conditions for payment of the qualified high-impact business
598 performance grant. The agreement shall include the total amount
599 of the qualified high-impact business facility performance grant
600 award, the performance conditions that must be met to obtain the
601 award, including the employment, average salary, investment, the
602 methodology for determining if the conditions have been met, and
603 the schedule of performance grant payments.

604 ~~(7) REPORTING. The office shall by December 1 of each year~~
605 ~~issue a complete and detailed report of all designated high-~~
606 ~~impact sectors, all applications received and their disposition,~~
607 ~~all final orders issued, and all payments made, including~~
608 ~~analyses of benefits and costs, types of projects supported, and~~
609 ~~employment and investments created. The report shall be submitted~~

606-07363-08

20082778c1

610 ~~to the Governor, the President of the Senate, and the Speaker of~~
611 ~~the House of Representatives.~~

612 (7) ~~(8)~~ RULEMAKING.--The office may adopt rules ~~necessary~~ to
613 administer ~~carry out the provisions of~~ this section.

614 Section 8. Paragraph (a) of subsection (3) of section
615 288.1088, Florida Statutes, is amended to read:

616 288.1088 Quick Action Closing Fund.--

617 (3) (a) Enterprise Florida, Inc., shall review applications
618 pursuant to s. 288.061(1) and determine eligibility of each
619 project consistent with the criteria in subsection (2).

620 Enterprise Florida, Inc., in consultation with the Office of
621 Tourism, Trade, and Economic Development, may waive these
622 criteria based on extraordinary circumstances if the project
623 would significantly benefit the local or regional economy.
624 Enterprise Florida, Inc., shall evaluate individual proposals for
625 high-impact business facilities and forward recommendations
626 regarding the use of moneys in the fund for such facilities to
627 the director of the Office of Tourism, Trade, and Economic
628 Development. The ~~Such~~ evaluation and recommendation must include,
629 but need not be limited to:

630 1. A description of the type of facility or infrastructure,
631 its operations, and the associated product or service associated
632 with the facility.

633 2. The number of full-time-equivalent jobs that will be
634 created by the facility and the total estimated average annual
635 wages of those jobs or, in the case of privately developed rural
636 infrastructure, the types of business activities and jobs
637 stimulated by the investment.

638 3. The cumulative amount of investment to be dedicated to

606-07363-08

20082778c1

639 the facility within a specified period.

640 4. A statement of any special impacts the facility is
641 expected to stimulate in a particular business sector in the
642 state or regional economy or in the state's universities and
643 community colleges.

644 5. A statement of the role the incentive is expected to
645 play in the decision of the applicant business to locate or
646 expand in this state or for the private investor to provide
647 critical rural infrastructure.

648 6. A report evaluating the quality and value of the company
649 submitting a proposal. The report must include:

650 a. A financial analysis of the company, including an
651 evaluation of the company's short-term liquidity ratio as
652 measured by its assets to liability, the company's profitability
653 ratio, and the company's long-term solvency as measured by its
654 debt-to-equity ratio;

655 b. The historical market performance of the company;

656 c. A review of any independent evaluations of the company;

657 d. A review of the latest audit of the company's financial
658 statement and the related auditor's management letter; and

659 e. A review of any other types of audits that are related
660 to the internal and management controls of the company.

661 Section 9. Section 288.1089, Florida Statutes, is amended
662 to read:

663 288.1089 Innovation Incentive Program.--

664 (1) The Innovation Incentive Program is created within the
665 Office of Tourism, Trade, and Economic Development to ensure that
666 sufficient resources are available to allow the state to respond
667 expeditiously to extraordinary economic opportunities and to

606-07363-08

20082778c1

668 compete effectively for high-value research and development and
669 innovation business projects.

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

671 (a) "Average private sector wage" means the statewide
672 average wage in the private sector or the average of all private
673 sector wages in the county or in the standard metropolitan area
674 in which the project is located as determined by the Agency for
675 Workforce Innovation.

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

678 (c) "Corporation" means the Scripps Florida Funding
679 Corporation.

680 (d)~~(e)~~ "Cumulative investment" means cumulative capital
681 investment and all eligible capital costs, as defined in s.
682 220.191.

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

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

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

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

693 (i)~~(h)~~ "Jobs" means full-time equivalent positions, as that
694 term is consistent with terms used by the Agency for Workforce
695 Innovation and the United States Department of Labor for purposes
696 of unemployment compensation tax administration and employment

606-07363-08

20082778c1

697 estimation, resulting directly from a project in this state. The
698 term does not include temporary construction jobs.

699 (j)~~(i)~~ "Match" means funding from local sources, public or
700 private, which will be paid to the applicant and which is equal
701 to 100 percent of an award. Eligible match funding may include
702 any tax abatement granted to the applicant under s. 196.1995 or
703 the appraised market value of land, buildings, infrastructure, or
704 equipment conveyed or provided at a discount to the applicant.
705 Complete documentation of a match payment or other conveyance
706 must be presented to and verified by the office prior to transfer
707 of state funds to an applicant. An applicant may not provide,
708 directly or indirectly, more than 5 percent of match funding in
709 any fiscal year. The sources of such funding may not include,
710 directly or indirectly, state funds appropriated from the General
711 Revenue Fund or any state trust fund, excluding tax revenues
712 shared with local governments pursuant to law.

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

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

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

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

606-07363-08

20082778c1

725 (o)~~(l)~~ "Research and development" means basic and applied
726 research in the sciences or engineering, as well as the design,
727 development, and testing of prototypes or processes of new or
728 improved products. Research and development does not include
729 market research, routine consumer product testing, sales
730 research, research in the social sciences or psychology,
731 nontechnological activities, or technical services.

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

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

738 (3) To be eligible for consideration for an innovation
739 incentive award, an innovation business or research and
740 development entity must submit a written application to
741 Enterprise Florida, Inc., before making a decision to locate new
742 operations in this state or expand an existing operation in this
743 state. The application must include, but not be limited to:

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

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

751 (c) A description of the type of business activity,
752 product, or research and development undertaken by the applicant,

606-07363-08

20082778c1

753 including six-digit North American Industry Classification System
754 codes for all activities included in the project.

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

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

757 (f) The number of net new full-time equivalent jobs in this
758 state the applicant anticipates having created as of December 31
759 of each year in the project; ~~and~~ the average annual wage of such
760 jobs; and the average annual wage of nonmanagement, nonresearch
761 jobs.

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

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

765 (i) A detailed explanation of why the innovation incentive
766 is needed to induce the applicant to expand or locate in the
767 state and whether an award would cause the applicant to locate or
768 expand in this state.

769 (j) If applicable, an estimate of the proportion of the
770 revenues resulting from the project that will be generated
771 outside this state.

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

775 (a) The jobs created by the project must pay an estimated
776 annual average wage equaling at least 130 percent of the average
777 private sector wage. The office may waive this average wage
778 requirement at the request of Enterprise Florida, Inc., for a
779 project located in a rural area, a brownfield area, or an
780 enterprise zone, when the merits of the individual project or the
781 specific circumstances in the community in relationship to the

606-07363-08

20082778c1

782 project warrant such action. A recommendation for waiver by
783 Enterprise Florida, Inc., must include a specific justification
784 for the waiver and be transmitted to the office in writing. If
785 the director elects to waive the wage requirement, the waiver
786 must be stated in writing and the reasons for granting the waiver
787 must be explained.

788 (b) A research and development project must:

789 1. Serve as a catalyst for an emerging or evolving
790 technology cluster.

791 2. Demonstrate a plan for significant higher education
792 collaboration.

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

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

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

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

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

806 2. Have an activity or product that is within an industry
807 that is designated as a target industry business under s. 288.106
808 or a designated sector under s. 288.108.

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

606-07363-08

20082778c1

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

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

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

822 (a) A description of the project, its required facilities,
823 and the associated product, service, or research and development
824 associated with the project.

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

826 (c) The number of full-time equivalent jobs that will be
827 created by the project, the total estimated average annual wages
828 of such jobs, the average annual wages of nonmanagement and
829 nonresearch jobs, and the types of business activities and jobs
830 likely to be stimulated by the project.

831 (d) The cumulative investment to be dedicated to the
832 project within 5 years and the total investment expected in the
833 project if more than 5 years.

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

836 (f) A statement of any special impacts the project is
837 expected to stimulate in a particular business sector in the
838 state or regional economy or in the state's universities and
839 community colleges.

606-07363-08

20082778c1

840 (g) A statement of any anticipated or proposed
841 relationships with state universities.

842 (h) A statement of the role the incentive is expected to
843 play in the decision of the applicant to locate or expand in this
844 state.

845 (i) A recommendation and explanation of the amount of the
846 award needed to cause the applicant to expand or locate in this
847 state.

848 (j) A discussion of the efforts and commitments made by the
849 local community in which the project is to be located to induce
850 the applicant's location or expansion, taking into consideration
851 local resources and abilities.

852 (k) A recommendation for specific performance criteria the
853 applicant would be expected to achieve in order to receive
854 payments from the fund and penalties or sanctions for failure to
855 meet or maintain performance conditions.

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

857 1. A description of the extent to which the project has the
858 potential to serve as catalyst for an emerging or evolving
859 cluster.

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

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

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

606-07363-08

20082778c1

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

871 (6) In consultation with Enterprise Florida, Inc., the
872 office may negotiate the proposed amount of an award for any
873 applicant meeting the requirements of this section. In
874 negotiating such award, the office shall consider the amount of
875 the incentive needed to cause the applicant to locate or expand
876 in this state in conjunction with other relevant applicant impact
877 and cost information and analysis as described in this section.
878 Particular emphasis shall be given to the potential for the
879 project to stimulate additional private investment and high-
880 quality employment opportunities in the area.

881 (7) Upon receipt of the evaluation and recommendation from
882 Enterprise Florida, Inc., the director shall recommend to the
883 Governor the approval or disapproval of an award. In recommending
884 approval ~~of an award~~, the director shall include proposed
885 performance conditions that the applicant must meet in order to
886 obtain incentive funds and any other conditions that must be met
887 before the receipt of any incentive funds. The Governor shall
888 consult with the President of the Senate and the Speaker of the
889 House of Representatives before giving approval for an award.
890 Upon review and approval of an award by the Legislative Budget
891 Commission, the Executive Office of the Governor shall release
892 the funds ~~pursuant to the legislative consultation and review~~
893 ~~requirements set forth in s. 216.177.~~

894 (8) ~~After the conditions~~ Upon approval by the Governor and
895 ~~release of the funds as set forth in subsection (7)~~ have been
896 met, the director shall issue a letter certifying the applicant

606-07363-08

20082778c1

897 as qualified for an award. The office and the award recipient
898 ~~applicant~~ shall enter into an agreement that sets forth the
899 conditions for payment of incentives. The agreement must include
900 at a minimum:

901 (a) The total amount of funds awarded.~~†~~

902 (b) The performance conditions that must be met to obtain
903 the award or portions of the award, including, but not limited
904 to, net new employment in the state, average wage, and total
905 cumulative investment. Where applicable, the performance
906 conditions must be at least at the levels specified in this
907 section for an applicant to qualify for consideration for an
908 Innovation Incentive Program grant award.~~†~~

909 (c) Demonstration of a baseline of current service and a
910 measure of enhanced capability.~~†~~

911 (d) The methodology for validating performance.~~†~~

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

913 (f)1. A reinvestment requirement. Each award recipient
914 shall be required to reinvest between 10 percent and 15 percent
915 of the net royalty revenues, including revenues from spin-off
916 companies and the revenues from the sale of stock it receives
917 from the licensing or transfer of inventions, methods, processes,
918 and other patentable discoveries conceived or reduced to practice
919 using its Florida facilities or its Florida-based employees, in
920 whole or in part, to which the grant recipient becomes entitled
921 during the 20 years following the effective date of its agreement
922 with the state. Each award recipient also shall reinvest between
923 10 percent and 15 percent of the gross revenues it receives from
924 naming opportunities associated with any facility it builds in
925 this state.

606-07363-08

20082778c1

926 2. Reinvestment payments under this paragraph shall
927 commence no later than 6 months after the grant recipient has
928 received the final disbursement under the contract and continue
929 until the maximum reinvestment, as specified in the contract, has
930 been paid. Reinvestment payments shall be remitted to the state
931 for deposit in the Biomedical Research Trust Fund for companies
932 that specialize in biomedicine or life sciences, or in the
933 Economic Development Trust Fund for companies that specialize in
934 fields other than biomedicine or the life sciences, except that
935 10 percent of each reinvestment payment shall be deposited in the
936 Building Florida's Future Revolving Loan Guarantee Fund for its
937 specified purposes. If these trust funds no longer exist at the
938 time of the reinvestment, the state's share of reinvestment shall
939 be deposited in their successor trust funds, as determined by
940 law. Each award recipient shall annually submit a schedule of the
941 shares of stock held by it as payment of the royalty required by
942 this paragraph and report on any trades or activity concerning
943 such stock. Each award recipient's reinvestment obligations
944 survives the expiration or termination of its agreement with the
945 state.

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

948 (h) Requirements for the establishment of internship
949 programs or other learning opportunities for educators and
950 secondary, postsecondary, graduate, and doctoral students.

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

606-07363-08

20082778c1

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

956 (k) A process for amending the agreement.

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

960 (10) At the conclusion of the innovation incentive award
961 agreement, or its earlier termination, Enterprise Florida, Inc.,
962 shall, within 90 days, report the results of the innovation
963 incentive award to the Governor, the President of the Senate, and
964 the Speaker of the House of Representatives.

965 (11)~~(10)~~ Each award recipient shall comply with ~~Enterprise~~
966 ~~Florida, Inc., shall develop~~ business ethics standards developed
967 by Enterprise Florida, Inc., which are based on appropriate best
968 industry practices ~~which shall be applicable to all award~~
969 ~~recipients.~~ The standards shall address ethical duties of
970 business enterprises, fiduciary responsibilities of management,
971 and compliance with the laws of this state. ~~Enterprise Florida,~~
972 ~~Inc., may collaborate with the State University System in~~
973 ~~reviewing and evaluating appropriate business ethics standards.~~
974 ~~Such standards shall be provided to the Governor, the President~~
975 ~~of the Senate, and the Speaker of the House of Representatives by~~
976 ~~December 31, 2006. An award agreement entered into on or after~~
977 ~~December 31, 2006, shall require a recipient to comply with the~~
978 ~~business ethics standards developed pursuant to this section.~~

979 Section 10. Section 288.955, Florida Statutes, is amended
980 to read:

981 288.955 Scripps Florida Funding Corporation.--

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

606-07363-08

20082778c1

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

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

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

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

995 (2) CREATION.--

996 (a) There is created a not-for-profit corporation known as
997 the Scripps Florida Funding Corporation, which shall be
998 registered, incorporated, organized, and operated under chapter
999 617.

1000 (b) The corporation is not a unit or entity of state
1001 government. However, the corporation is subject to the provisions
1002 of s. 24, Art. I of the State Constitution and chapter 119,
1003 relating to public meetings and records, and the provisions of
1004 chapter 286 relating to public meetings and records.

1005 (c) The corporation must establish at least one corporate
1006 office in this state and appoint a registered agent.

1007 (d) The corporation shall hire or contract for all staff
1008 necessary to the proper execution of its powers and duties within
1009 the funds appropriated to implement this section and shall
1010 require that all officers, directors, and employees of the
1011 corporation comply with the code of ethics for public officers

606-07363-08

20082778c1

1012 and employees under part III of chapter 112. In no case may the
1013 corporation expend more than \$300,000 in the first year and
1014 \$200,000 per year thereafter for staffing and necessary
1015 administrative expenditures, including, but not limited to,
1016 travel and per diem and audit expenditures, using funds
1017 appropriated to implement this section.

1018 (e) The Office of Tourism, Trade, and Economic Development
1019 shall provide administrative support to the corporation as
1020 requested by the corporation. In the event of the dissolution of
1021 the corporation, the office shall be the corporation's successor
1022 in interest and shall assume all rights, duties, and obligations
1023 of the corporation under any contract to which the corporation is
1024 then a party and under law.

1025 (3) PURPOSES ~~PURPOSE~~.--

1026 (a) The corporation shall be organized to receive, hold,
1027 invest, administer, and disburse funds appropriated by the
1028 Legislature for the establishment and operation of a state-of-
1029 the-art biomedical research institution and campus in this state
1030 by The Scripps Research Institute. The corporation shall
1031 safeguard the state's commitment of financial support by ensuring
1032 that, as a condition for the receipt of these funds, the grantee
1033 meets its contractual obligations. In this manner, the
1034 corporation shall facilitate and oversee the state goal and
1035 public purpose of providing financial support for the institution
1036 and campus in order to expand the amount and prominence of
1037 biomedical research conducted in this state, provide an
1038 inducement for high-technology businesses to locate in this
1039 state, create educational opportunities through access to and

606-07363-08

20082778c1

1040 partnerships with the institution, and promote improved health
1041 care through the scientific outcomes of the institution.

1042 (b) The corporation also shall serve in an oversight
1043 capacity for the Innovation Incentive Program created in s.
1044 288.1089. In that capacity, the corporation shall enter into a
1045 partnership with the Office of Tourism, Trade, and Economic
1046 Development and Enterprise Florida, Inc., in reviewing the
1047 performance and progress of grant recipients of the Innovation
1048 Incentive Program.

1049 (4) BOARD; MEMBERSHIP.--The corporation shall be governed
1050 by a board of directors.

1051 (a) The board of directors shall consist of nine voting
1052 members, of whom the Governor shall appoint three, the President
1053 of the Senate shall appoint three, and the Speaker of the House
1054 of Representatives shall appoint three. The director of the
1055 Office of Tourism, Trade, and Economic Development or the
1056 director's designee shall serve as an ex-officio, nonvoting
1057 member of the board of directors.

1058 (b) Each member of the board of directors shall serve for a
1059 term of 4 years, and ~~except that initially the Governor, the~~
1060 ~~President of the Senate, and the Speaker of the House of~~
1061 ~~Representatives each shall appoint one member for a term of 1~~
1062 ~~year, one member for a term of 2 years, and one member for a term~~
1063 ~~of 4 years to achieve staggered terms among the members of the~~
1064 ~~board.~~ a member is not eligible for reappointment to the board,
1065 ~~except, however, that a member appointed to an initial term of 1~~
1066 ~~year or 2 years may be reappointed for an additional term of 4~~
1067 ~~years, and a person appointed to fill a vacancy with 2 years or~~
1068 ~~less remaining on the term may be reappointed for an additional~~

606-07363-08

20082778c1

1069 ~~term of 4 years. The Governor, the President of the Senate, and~~
1070 ~~the Speaker of the House of Representatives shall make their~~
1071 ~~initial appointments to the board by November 15, 2003.~~

1072 (c) The Governor, the President of the Senate, or the
1073 Speaker of the House of Representatives, respectively, shall fill
1074 a vacancy on the board of directors, according to who appointed
1075 the member whose vacancy is to be filled or whose term has
1076 expired. A vacancy that occurs before the scheduled expiration of
1077 the term of the member shall be filled for the remainder of the
1078 unexpired term.

1079 (d) Each member of the board of directors who is not
1080 otherwise required to file financial disclosure under s. 8, Art.
1081 II of the State Constitution or s. 112.3144 shall file disclosure
1082 of financial interests under s. 112.3145.

1083 (e) A person may not be appointed to the board of directors
1084 if he or she has had any direct interest in any contract,
1085 franchise, privilege, or other benefit granted by The Scripps
1086 Research Institute, or any of its affiliate organizations, or
1087 with any grant recipients of the Innovation Incentive Program
1088 within 5 years before appointment. A person appointed to the
1089 board of directors must agree to refrain from having any direct
1090 interest in any contract, franchise, privilege, or other benefit
1091 granted by The Scripps Research Institute, or any of its
1092 affiliate organizations, or with any grant recipients of the
1093 Innovation Incentive Program during the term of his or her
1094 appointment and for 5 years after the termination of such
1095 appointment. It is a misdemeanor of the first degree, punishable
1096 as provided in s. 775.083 or s. 775.084, for a person to accept
1097 appointment to the board of directors in violation of this

606-07363-08

20082778c1

1098 paragraph or to accept a direct interest in any contract,
1099 franchise, privilege, or other benefit granted by the institution
1100 or affiliate within 5 years after the termination of his or her
1101 service on the board.

1102 (f) Each member of the board of directors shall serve
1103 without compensation, but shall receive travel and per diem
1104 expenses as provided in s. 112.061 while in the performance of
1105 his or her duties.

1106 (g) Each member of the board of directors is accountable
1107 for the proper performance of the duties of office, and each
1108 member owes a fiduciary duty to the people of the state to ensure
1109 that funds provided in furtherance of this section are disbursed
1110 and used as prescribed by law and contract. The Governor, the
1111 President of the Senate, or the Speaker of the House of
1112 Representatives, according to which officer appointed the member,
1113 may remove a member for malfeasance, misfeasance, neglect of
1114 duty, incompetence, permanent inability to perform official
1115 duties, unexcused absence from three consecutive meetings of the
1116 board, arrest or indictment for a crime that is a felony or a
1117 misdemeanor involving theft or a crime of dishonesty, or pleading
1118 nolo contendere to, or being found guilty of, any crime.

1119 (5) ORGANIZATION; MEETINGS.--

1120 (a)1. The board of directors shall annually elect a
1121 chairperson and a vice chairperson from among the board's
1122 members. The members may, by a vote of five of the nine board
1123 members, remove a member from the position of chairperson or vice
1124 chairperson prior to the expiration of his or her term as
1125 chairperson or vice chairperson. His or her successor shall be

606-07363-08

20082778c1

1126 | elected to serve for the balance of the removed chairperson's or
1127 | vice chairperson's term.

1128 | 2. The chairperson is responsible to ensure that records
1129 | are kept of the proceedings of the board of directors and is the
1130 | custodian of all books, documents, and papers filed with the
1131 | board; the minutes of meetings of the board; and the official
1132 | seal of the corporation.

1133 | (b)1. The board of directors shall meet upon the call of
1134 | the chairperson or at the request of a majority of the members,
1135 | but no less than three times per calendar year.

1136 | 2. A majority of the voting members of the board of
1137 | directors constitutes a quorum. Except as otherwise provided in
1138 | this section, the board may take official action by a majority
1139 | vote of the members present at any meeting at which a quorum is
1140 | present. Members may not vote by proxy.

1141 | 3. A member of the board may participate in a meeting of
1142 | the board by telephone or videoconference through which each
1143 | member may hear every other member.

1144 | (c) The corporation may include on the same meeting agenda
1145 | matters related to The Scripps Research Institute and the
1146 | Innovation Incentive Program.

1147 | (6) POWERS AND DUTIES.--

1148 | (a) The corporation is organized to receive, hold, invest,
1149 | administer, and disburse funds appropriated by the Legislature in
1150 | support of The Scripps Research Institute ~~this section~~ and to
1151 | disburse any income generated from the investment of these funds
1152 | consistent with the purpose and provisions of this section. In
1153 | addition to the powers and duties prescribed in chapter 617 and

606-07363-08

20082778c1

1154 the articles and bylaws adopted under that chapter, the
1155 corporation:

1156 1.~~(a)~~ May make and enter into contracts and assume any
1157 other functions that are necessary to carry out the provisions of
1158 this section related to The Scripps Research Institute.

1159 2.~~(b)~~ May enter into leases and contracts for the purchase
1160 of real property and hold notes, mortgages, guarantees, or
1161 security agreements to secure the performance of obligations of
1162 the grantee under the contract.

1163 3.~~(c)~~ May perform all acts and things necessary or
1164 convenient to carry out the powers expressly granted in this
1165 section and in the ~~a~~ contract entered into between the
1166 corporation and the grantee.

1167 4.~~(d)~~ May make expenditures, from funds provided by this
1168 state, including any necessary administrative expenditures
1169 consistent with its powers.

1170 ~~(e) May indemnify, and purchase and maintain insurance on~~
1171 ~~behalf of, directors, officers, and employees of the corporation~~
1172 ~~against any personal liability or accountability.~~

1173 5.~~(f)~~ Shall disburse funds pursuant to the provisions of
1174 this section and a contract entered into between the corporation
1175 and the grantee.

1176 6.~~(g)~~ Shall receive and review reports and financial
1177 documentation provided by the grantee to ensure compliance with
1178 the provisions of this section and provisions of the contract.

1179 7.~~(h)~~ Shall prepare an annual report as prescribed in
1180 subsection (14).

1181 (b) The corporation also is directed to:

606-07363-08

20082778c1

1182 1. Review the business plans, quarterly reports, annual
1183 reports, and audit reports of entities that have received a grant
1184 from the Innovation Incentive Program pursuant to s. 288.1089.

1185 2. Invite all Innovation Incentive Program grant recipients
1186 to appear at its meetings to present progress reports on their
1187 activities.

1188 3. Prepare an annual report as prescribed in subsection
1189 (15).

1190 (c) The corporation may indemnify, purchase, and maintain
1191 insurance on behalf of directors, officers, and employees of the
1192 corporation against any personal liability or accountability.

1193 (d) The corporation may otherwise perform all acts and
1194 things necessary or convenient to carry out the powers expressly
1195 granted in this section.

1196 (7) INVESTMENT OF FUNDS.--The corporation must enter into
1197 an agreement with the State Board of Administration under which
1198 funds received by the corporation from the Office of Tourism,
1199 Trade, and Economic Development which are not disbursed to the
1200 grantee shall be invested by the State Board of Administration on
1201 behalf of the corporation. Funds shall be invested in suitable
1202 instruments authorized under s. 215.47 and specified in
1203 investment guidelines established and agreed to by the State
1204 Board of Administration and the corporation.

1205 (8) CONTRACT.--

1206 (a) The 20-year contract negotiated and executed by the
1207 corporation with the grantee ~~By January 30, 2004, the corporation~~
1208 ~~shall negotiate and execute a contract with the grantee for a~~
1209 ~~term of 20 years. Such contract shall govern the disbursement and~~
1210 ~~use of funds under this section. The board may, by a simple~~

606-07363-08

20082778c1

1211 ~~majority vote, authorize one 45-day extension of this deadline.~~
1212 ~~The corporation may not execute the contract unless the contract~~
1213 ~~is approved by the affirmative vote of at least seven of the nine~~
1214 ~~members of the board of directors. At least 14 days before~~
1215 ~~execution of the contract, The Scripps Research Institute must~~
1216 ~~submit to the board, the Governor, the President of the Senate,~~
1217 ~~and the Speaker of the House of Representatives an organizational~~
1218 ~~plan, in a form and manner prescribed by the board, for the~~
1219 ~~establishment of a state-of-the-art biomedical research~~
1220 ~~institution and campus in this state, and the board must submit a~~
1221 ~~copy of the proposed contract to the Governor, the President of~~
1222 ~~the Senate, and the Speaker of the House of Representatives.~~

1223 ~~(b) The contract, at a minimum, must contain provisions:~~

1224 1. Specifying the procedures and schedules that govern the
1225 disbursement of funds under this section and specifying the
1226 conditions or deliverables that the grantee must satisfy before
1227 the release of each disbursement.

1228 2. Requiring the grantee to submit to the corporation a
1229 business plan in a form and manner prescribed by the corporation.

1230 3. Prohibiting The Scripps Research Institute or the
1231 grantee from establishing other biomedical science or research
1232 facilities in any state other than this state or California for a
1233 period of 12 years from the commencement of the contract. Nothing
1234 in this subparagraph shall prohibit the grantee from establishing
1235 or engaging in normal collaborative activities with other
1236 organizations.

1237 4. Governing the ownership of or security interests in real
1238 property and personal property, including, but not limited to,
1239 research equipment, obtained through the financial support of

606-07363-08

20082778c1

1240 state or local government, including a provision that in the
1241 event of a breach of the contract or in the event the grantee
1242 ceases operations in this state, such property purchased with
1243 state funds shall revert to the state and such property purchased
1244 with local funds shall revert to the local governing authority.

1245 5. Requiring the grantee to be an equal opportunity
1246 employer.

1247 6. Requiring the grantee to maintain a policy of awarding
1248 preference in employment to residents of this state, as defined
1249 by law, except for professional scientific staff positions
1250 requiring a doctoral degree, postdoctoral training positions, and
1251 graduate student positions.

1252 7. Requiring the grantee to maintain a policy of making
1253 purchases from vendors in this state, to the extent it is cost-
1254 effective and scientifically sound.

1255 8. Requiring the grantee to use the Internet-based job-
1256 listing system of the Agency for Workforce Innovation in
1257 advertising employment opportunities.

1258 9. Requiring the grantee to establish accredited science
1259 degree programs.

1260 10. Requiring the grantee to establish internship programs
1261 to create learning opportunities for educators and secondary,
1262 postsecondary, graduate, and doctoral students.

1263 11. Requiring the grantee to submit data to the corporation
1264 on the activities and performance during each fiscal year and to
1265 provide to the corporation an annual accounting of the
1266 expenditure of funds disbursed under this section.

1267 12. Establishing that the corporation shall review the
1268 activities of the grantee to assess the grantee's financial and

606-07363-08

20082778c1

1269 operational compliance with the provisions of the contract and
1270 with relevant provisions of law.

1271 13. Authorizing the grantee, when feasible, to use
1272 information submitted by it to the Federal Government or to other
1273 organizations awarding research grants to the grantee to help
1274 meet reporting requirements imposed under this section or the
1275 contract, if the information satisfies the reporting standards of
1276 this section and the contract.

1277 14. Unless amended pursuant to the force majeure provisions
1278 in subsection (18), requiring the grantee during the first 7
1279 years of the contract to create 545 positions and to acquire
1280 associated research equipment for the grantee's facility in this
1281 state, and pay for related maintenance of the equipment, in a
1282 total amount of not less than \$45 million.

1283 15. Requiring the grantee to progress in the creation of
1284 the total number of jobs prescribed in subparagraph 14. on the
1285 following schedule: At least 38 positions in the 1st year, 168
1286 positions in the 2nd year, 280 positions in the 3rd year, 367
1287 positions in the 4th year, 436 positions in the 5th year, 500
1288 positions in the 6th year, and 545 positions in the 7th year. The
1289 corporation's board of directors may allow the grantee to deviate
1290 downward from such employee levels by 25 percent in any year, to
1291 allow the grantee flexibility in achieving the objectives set
1292 forth in the business plan provided to the corporation; however,
1293 the grantee must have no fewer than 545 positions by the end of
1294 the 7th year.

1295 16. Requiring the grantee to allow the corporation to
1296 retain an independent certified public accountant licensed in
1297 this state pursuant to chapter 473 to inspect the records of the

606-07363-08

20082778c1

1298 grantee in order to audit the expenditure of funds disbursed to
1299 the grantee. The independent certified public accountant shall
1300 not disclose any confidential or proprietary scientific
1301 information of the grantee.

1302 17. Requiring the grantee to purchase liability insurance
1303 and governing the coverage level of such insurance.

1304 (b) ~~(e)~~ An amendment to the contract is not effective unless
1305 it is approved by the affirmative vote of at least seven of the
1306 nine members of the board of directors.

1307 (9) PERFORMANCE EXPECTATIONS FOR THE SCRIPPS RESEARCH
1308 INSTITUTE.--In addition to the provisions prescribed in
1309 subsection (8), the contract between the corporation and the
1310 grantee shall include a provision that the grantee, in
1311 cooperation with the Office of Tourism, Trade, and Economic
1312 Development, shall report to the corporation on an annual basis
1313 certain performance expectations that reflect the aspirations of
1314 the Governor and the Legislature for the benefits accruing to
1315 this state as a result of the funds appropriated pursuant to this
1316 section. These shall include, but are not limited to, performance
1317 expectations addressing:

1318 (a) The number and dollar value of research grants obtained
1319 from the Federal Government or sources other than this state.

1320 (b) The percentage of total research dollars received by
1321 The Scripps Research Institute from sources other than this state
1322 which is used to conduct research activities by the grantee in
1323 this state.

1324 (c) The number or value of patents obtained by the grantee.

1325 (d) The number or value of licensing agreements executed by
1326 the grantee.

606-07363-08

20082778c1

1327 (e) The extent to which research conducted by the grantee
1328 results in commercial applications.

1329 (f) The number of collaborative agreements reached and
1330 maintained with colleges and universities in this state and with
1331 research institutions in this state, including agreements that
1332 foster participation in research opportunities by public and
1333 private colleges and universities and research institutions in
1334 this state with significant minority populations, including
1335 historically black colleges and universities.

1336 (g) The number of collaborative partnerships established
1337 and maintained with businesses in this state.

1338 (h) The total amount of funding received by the grantee
1339 from sources other than the State of Florida.

1340 (i) The number or value of spin-off businesses created in
1341 this state as a result of commercialization of the research of
1342 the grantee.

1343 (j) The number or value of businesses recruited to this
1344 state by the grantee.

1345 (k) The establishment and implementation of policies to
1346 promote supplier diversity using the guidelines developed by the
1347 Office of Supplier Diversity under s. 287.09451 and to comply
1348 with the ordinances, including any small business ordinances,
1349 enacted by the county and which are applicable to the biomedical
1350 research institution and campus located in this state.

1351 (l) The designation by the grantee of a representative to
1352 coordinate with the Office of Supplier Diversity.

1353 (m) The establishment and implementation of a program to
1354 conduct workforce recruitment activities at public and private

606-07363-08

20082778c1

1355 colleges and universities and community colleges in this state
1356 which request the participation of the grantee.

1357

1358 ~~The contract shall require the grantee to provide information to~~
1359 ~~the corporation on the progress in meeting these performance~~
1360 ~~expectations on an annual basis.~~ It is the intent of the
1361 Legislature that, in fulfilling its obligation to work with
1362 Florida's public and private colleges and universities, The
1363 Scripps Research Institute's Florida facility work with such
1364 colleges and universities regardless of size.

1365 (10) DISBURSEMENT CONDITIONS.--In addition to the
1366 provisions prescribed in subsection (8), the contract between the
1367 corporation and the grantee shall include disbursement conditions
1368 that must be satisfied by the grantee as a condition for the
1369 continued disbursement of funds under this section. These
1370 disbursement conditions shall be negotiated between the
1371 corporation and the grantee and shall not be designed to impede
1372 the ability of the grantee to attain full operational status. The
1373 disbursement conditions may be appropriately varied as to
1374 timeframes, numbers, values, and percentages. The disbursement
1375 conditions shall include, but are not limited to, the following
1376 areas:

1377 (a) Demonstrate creation of jobs and report on the average
1378 salaries paid.

1379 (b) Beginning 18 months after the grantee's occupancy of
1380 its permanent facility, the grantee shall annually obtain
1381 \$100,000 of nonstate funding for each full-time equivalent
1382 tenured-track faculty member employed at the grantee's Florida
1383 facility.

606-07363-08

20082778c1

1384 (c) No later than 3 years after the grantee's occupancy of
1385 its permanent facility, the grantee shall apply to the relevant
1386 accrediting agency for accreditation of its Florida graduate
1387 program.

1388 (d) The grantee shall purchase equipment for its Florida
1389 facility as scheduled in its contract with the corporation.

1390 (e) No later than 18 months after occupying its permanent
1391 facility, the grantee shall establish a program for qualified
1392 graduate students from Florida universities permitting them
1393 access to the facility for doctoral, thesis-related research.

1394 (f) No later than 18 months after occupancy of the
1395 permanent facility, the grantee shall establish a summer
1396 internship for high school students.

1397 (g) No later than 3 years after occupancy of the permanent
1398 facility, the grantee shall establish a research program for
1399 middle and high school teachers.

1400 (h) No later than 18 months after occupancy of the
1401 permanent facility, the grantee shall establish a program for
1402 adjunct professors.

1403 (i) No later than 6 months after commissioning its high
1404 throughput technology, the grantee shall establish a program to
1405 allow open access for qualified science projects.

1406 (j) ~~Beginning June 2004,~~ The grantee shall collaborate
1407 ~~commence collaborative efforts~~ with Florida public and private
1408 colleges and universities, and shall continue cooperative
1409 collaboration through the term of the agreement.

1410 (k) Beginning 18 months after the grantee occupies the
1411 permanent facility, the grantee shall establish an annual seminar

606-07363-08

20082778c1

1412 series featuring a review of the science work done by the grantee
1413 and its collaborators at the Florida facility.

1414 (1) ~~Beginning June 2004,~~ The grantee shall collaborate
1415 ~~commence collaboration efforts~~ with the Office of Tourism, Trade,
1416 and Economic Development by complying with reasonable requests
1417 for cooperation in economic development efforts in the
1418 biomed/biotech industry. ~~No later than July 2004,~~ The grantee
1419 shall also designate a person who shall be charged with assisting
1420 in these collaborative efforts.

1421 (11) DISBURSEMENTS TO THE SCRIPPS RESEARCH INSTUTUTE.--

1422 (a) The corporation shall disburse funds to the grantee
1423 over a period of 7 calendar years starting in the calendar year
1424 beginning January 1, 2004, under the terms and conditions of the
1425 contract. The corporation shall complete disbursement of the
1426 total amount of funds payable to the grantee under the contract
1427 no later than December 31, 2010, unless the grantee fails to
1428 satisfy the terms and conditions of the contract. Any funds of
1429 the corporation that are not disbursed by December 31, 2010,
1430 shall be paid to the Biomedical Research Trust Fund of the
1431 Department of Health.

1432 (b) The contract shall provide for a reduction or
1433 elimination of funding in any year if:

- 1434 1. The grantee is no longer operating in this state;
- 1435 2. The grantee has failed to commit in writing to maintain
1436 operations in the state for the succeeding year; or
- 1437 3. The grantee commits a material default or breach of the
1438 contract, as defined and governed by the contract. Determination
1439 of material default or breach of contract shall require the

606-07363-08

20082778c1

1440 affirmative vote of at least seven of the nine members of the
1441 board.

1442 (c) Each disbursement by the corporation to the grantee
1443 under this section is conditioned upon the affirmative approval
1444 of at least five of the nine members of the board of directors
1445 and upon demonstration by the grantee that it has met the
1446 particular contractual deliverables that are the basis for that
1447 disbursement.

1448 (12) USE OF FUNDS.--

1449 (a) Funds appropriated in furtherance of this section may
1450 not be disbursed or expended for activities that do not
1451 principally benefit or that are not directly related to the
1452 establishment or operation of the grantee in this state, except
1453 upon approval of the affirmative vote of at least seven of the
1454 nine members of the board of directors.

1455 (b) ~~No~~ Funds appropriated in furtherance of this section
1456 may not be used for the purpose of lobbying any branch or agency
1457 of state government or any political subdivision of the state.

1458 (c) The grantee must provide for separate accounts for any
1459 funds appropriated in furtherance of this section and separate
1460 books and records relating to The Scripps Research Institute's
1461 Florida operation.

1462 (13) REINVESTMENT.--

1463 (a) The grantee shall reinvest 15 percent of the net
1464 royalty revenues, including the revenues from the sale of stock,
1465 received by The Scripps Research Institute from the licensing or
1466 transfer of inventions, methods, processes, and other patentable
1467 discoveries conceived or reduced to practice using the grantee's
1468 Florida facilities or Florida employees, in whole or in part, and

606-07363-08

20082778c1

1469 to which the grantee becomes entitled during the 20 years
1470 following the effective date of the contract between the
1471 corporation and the grantee. For purposes of this paragraph, the
1472 term "net royalty revenues" means all royalty revenues less the
1473 cost of obtaining, maintaining, and enforcing related patent and
1474 intellectual property rights, both foreign and domestic.
1475 Reinvestment payments under this paragraph shall commence no
1476 later than 6 months after the grantee has received the final
1477 disbursement under the contract and shall continue until the
1478 maximum reinvestment has been paid.

1479 (b) The grantee shall reinvest 15 percent of the gross
1480 revenues it receives from naming opportunities associated with
1481 any facility it builds in this state. For purposes of this
1482 section, the term "naming opportunities" includes charitable
1483 donations from any person or entity in consideration for the
1484 right to have all or a portion of the facility named for or in
1485 the memory of any person, living or dead, or for any entity. The
1486 obligation to make reinvestment payments under this section shall
1487 commence upon the execution of the contract between the
1488 corporation and the grantee.

1489
1490 All reinvestment payments made pursuant to this section shall be
1491 remitted to the state for deposit in the Biomedical Research
1492 Trust Fund or, if such fund has ceased to exist, in another trust
1493 fund that supports biomedical research, as determined by law. The
1494 maximum reinvestment required of the grantee pursuant to this
1495 subsection shall not exceed \$200 million. At such time as the
1496 reinvestment payments equal \$155 million or the contract expires,
1497 whichever is earlier, the board of the corporation shall

606-07363-08

20082778c1

1498 determine whether the performance expectations and disbursement
1499 conditions have been met. If the board determines that the
1500 performance expectations and disbursement conditions have been
1501 met, the amount of \$200 million shall be reduced to \$155 million.
1502 The grantee shall annually submit a schedule of the shares of
1503 stock held by it as payment of the royalty referred to in
1504 paragraph (a) and report on any trades or activity concerning
1505 such stock. The grantee's obligations under this subsection shall
1506 survive the expiration or termination of the contract between the
1507 corporation and the grantee.

1508 (14) ANNUAL REPORT ON THE SCRIPPS RESEARCH INSTITUTE.--By
1509 December 1 of each year, the corporation shall prepare a report
1510 of the activities and outcomes under this section for the
1511 preceding fiscal year. The report, at a minimum, must include:

1512 (a) A description of the activities of the corporation in
1513 managing and enforcing the contract with the grantee.

1514 (b) An accounting of the amount of funds disbursed during
1515 the preceding fiscal year to the grantee.

1516 (c) An accounting of expenditures by the grantee during the
1517 fiscal year of funds disbursed under this section.

1518 (d) Information on the number and salary level of jobs
1519 created by the grantee, including the number and salary level of
1520 jobs created for residents of this state.

1521 (e) Information on the amount and nature of economic
1522 activity generated through the activities of the grantee.

1523 (f) An assessment of factors affecting the progress toward
1524 achieving the projected biotech industry cluster associated with
1525 the grantee's operations, as projected by economists on behalf of
1526 the Executive Office of the Governor.

606-07363-08

20082778c1

1527 (g) A compliance and financial audit of the accounts and
1528 records of the corporation at the end of the preceding fiscal
1529 year conducted by an independent certified public accountant in
1530 accordance with rules of the Auditor General.

1531 (h) A description of the status of the performance
1532 expectations under subsection (9) and the disbursement conditions
1533 under subsection (10).

1534
1535 The corporation shall submit the report to the Governor, the
1536 President of the Senate, and the Speaker of the House of
1537 Representatives.

1538 (15) REPORT ON INNOVATION INCENTIVE PROGRAM
1539 ACTIVITIES.--The corporation shall prepare an annual report of
1540 the activities and outcomes related to its oversight role for the
1541 Innovation Incentive Program for the preceding fiscal year. The
1542 report, at a minimum, must include:

1543 (a) An assessment of the progress made by each grant
1544 recipient of the Innovation Incentive Program in achieving its
1545 agreement objectives, benchmarks, and performance expectations,
1546 and a discussion of all relevant factors related to its progress
1547 or lack thereof.

1548 (b) A review of the previous year's compliance and
1549 financial audits of the accounts and records of each grant
1550 recipient conducted by an independent certified public accountant
1551 in accordance with rules of the Auditor General.

1552 (c) Any recommended legislative changes or administrative
1553 improvements that may be undertaken by the Executive Office of
1554 the Governor.

1555

606-07363-08

20082778c1

1556 The corporation shall submit the report to the Governor, the
1557 President of the Senate, and the Speaker of the House of
1558 Representatives by January 10 of each year, beginning in 2009.

1559 ~~(16)~~~~(15)~~ PROGRAM EVALUATION.--

1560 (a) Before January 1, 2007, the Office of Program Policy
1561 Analysis and Government Accountability shall conduct a
1562 performance audit of the Office of Tourism, Trade, and Economic
1563 Development and the corporation relating to the provisions of
1564 this section. The audit shall assess the implementation and
1565 outcomes of activities under this section. At a minimum, the
1566 audit shall address:

1567 1. Performance of the Office of Tourism, Trade, and
1568 Economic Development in disbursing funds appropriated under this
1569 section.

1570 2. Performance of the corporation in managing and enforcing
1571 the contract with the grantee.

1572 3. Compliance by the corporation with the provisions of
1573 this section and the provisions of the contract.

1574 4. Economic activity generated through funds disbursed
1575 under the contract.

1576 (b) Before January 1, 2010, the Office of Program Policy
1577 Analysis and Government Accountability shall update the report
1578 required under paragraph (a) this subsection. In addition to
1579 addressing the items prescribed in paragraph (a), the updated
1580 report shall include a recommendation on whether the Legislature
1581 should retain the statutory authority for the corporation taking
1582 into account the corporation's oversight role for the Innovation
1583 Incentive Program.

1584

606-07363-08

20082778c1

1585 A report of each audit's findings and recommendations shall be
1586 submitted to the Governor, the President of the Senate, and the
1587 Speaker of the House of Representatives. In completing the
1588 performance audits required under this subsection, the Office of
1589 Program Policy Analysis and Government Accountability shall
1590 maximize the use of reports submitted by the grantee to the
1591 Federal Government or to other organizations awarding research
1592 grants to the grantee.

1593 (17)~~(16)~~ LIABILITY.--

1594 (a) The appropriation or disbursement of funds under this
1595 section does not constitute a debt, liability, or obligation of
1596 the State of Florida, any political subdivision thereof, or the
1597 corporation or a pledge of the faith and credit of the state or
1598 of any such political subdivision.

1599 (b) The appropriation or disbursement of funds under this
1600 section does not subject the State of Florida, any political
1601 subdivision thereof, or the corporation to liability related to
1602 the research activities and research products of the grantee.

1603 (18)~~(17)~~ FORCE MAJEURE.--Notwithstanding any other
1604 provisions contained in this act, if the grantee is prevented
1605 from timely achieving any deadlines set forth in this act due to
1606 its inability to occupy its permanent Florida facility within 2
1607 years after entering into the memorandum of agreement pursuant to
1608 s. 403.973, as a result of permitting delays and related
1609 administrative or judicial proceedings, acts of God, labor
1610 disturbances, or other similar events beyond the control of the
1611 grantee, the deadline shall be extended by the number of days by
1612 which the grantee was delayed in commencing its occupancy of its
1613 permanent Florida facility. In no event shall the extension be

606-07363-08

20082778c1

1614 for more than 4 years. Upon the occurrence of a force majeure
1615 event, the Scripps Florida Funding Corporation shall continue to
1616 fund the grantee at a level that permits it to sustain its
1617 current level of operations until the force majeure event ceases
1618 and the grantee is able to resume the contract schedule governing
1619 disbursement.

1620 Section 11. Paragraph (a) of subsection (4) of section
1621 288.9624, Florida Statutes, is amended to read:

1622 288.9624 Florida Opportunity Fund; creation; duties.--

1623 (4) For the purpose of mobilizing investment in a broad
1624 variety of Florida-based, new technology companies and generating
1625 a return sufficient to continue reinvestment, the fund shall:

1626 (a)1. Except as otherwise provided in this section, invest
1627 directly only in seed and early stage venture capital funds that
1628 have experienced managers or management teams with demonstrated
1629 experience, expertise, and a successful history in the investment
1630 of venture capital funds. Investments must be focused,~~focusing~~
1631 on opportunities in this state. The fund may not make direct
1632 investments in individual businesses. While not precluded from
1633 investing in venture capital funds that have investments outside
1634 this state, the fund must require a venture capital fund to show
1635 a record of successful investment in this state, to be based in
1636 this state, or to have an office in this state staffed with a
1637 full-time, professional venture investment executive in order to
1638 be eligible for investment.

1639 2. In entering into partnerships with state universities
1640 that are designated as research universities having very high
1641 research activity by the 2005 Carnegie Classifications, invest
1642 directly in state-based seed or early stage venture capital

606-07363-08

20082778c1

1643 funds. These investments shall be used to support companies that
1644 are developing the commercialization of a particular product or
1645 service, and that are operating from laboratory or office space
1646 on a university campus which has been constructed by a private
1647 developer who is providing a minimum match of \$3 for every \$1 of
1648 state funds for construction and investment. The fund may not
1649 make direct investments in individual businesses.

1650 Section 12. This act shall take effect upon becoming a law.