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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; creating s. 288.097, F.S.;  
10          establishing Building Florida's Future Revolving Loan  
11          Guarantee Program within the Office of Tourism, Trade, and  
12          Economic Development; providing for the program to provide  
13          loan guarantees or credit enhancements to units of local  
14          government or to private entities for use in constructing  
15          or modernizing facilities and infrastructure necessary to  
16          attract or expand certain industries as part of an  
17          economic-development project; providing requirements and  
18          criteria for the office to consider in evaluating  
19          requests; requiring Enterprise Florida, Inc., to assist  
20          the office in its evaluation; requiring the Office of  
21          Tourism, Trade, and Economic Development to adopt rules;  
22          requiring that the office provide an annual report to the  
23          Legislature regarding the program; providing an  
24          appropriation; making the fund contingent on passage of a  
25          companion bill; amending s. 288.1045, F.S.; revising the  
26          sources of funds that may be used to provide refunds for  
27          the qualified defense contractor tax refund program;  
28          conforming the review of Department of Defense projects to  
29          changes made by the act; providing that the amount of the

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30 tax refund may be reduced by the value of the land  
31 granted; deleting a requirement for an annual report;  
32 amending s. 288.106, F.S.; revising information that must  
33 be submitted by a qualified target industry business  
34 applying for a tax refund; modifying the definition of  
35 rural county; application process to changes made by the  
36 act; modifying the criteria for businesses to be eligible  
37 for an economic stimulus exemption; extending the  
38 application period; amending s. 288.107, F.S.; conforming  
39 review of applications for payment of brownfield  
40 redevelopment bonus refunds to changes made by the act;  
41 amending s. 288.108, F.S.; conforming the review of grant  
42 applications for high-impact businesses to changes made by  
43 the act; deleting provisions requiring an annual report;  
44 amending s. 288.1088, F.S.; conforming the review of  
45 projects funded by the Quick Action Closing Fund to  
46 changes made by the act; amending s. 288.1089, F.S.;  
47 providing definitions; revising application requirements  
48 for innovation incentive awards; revising evaluation and  
49 recommendation requirements for innovative incentive  
50 awards; requiring the Legislative Budget Commission to  
51 review and approve an innovation incentive award before  
52 the Executive Office of the Governor releases the funds;  
53 revising agreement requirements for payment of incentives;  
54 requiring award recipients to comply with certain business  
55 ethics developed by Enterprise Florida, Inc.; amending s.  
56 288.955, F.S.; revising definitions; requiring the Scripps  
57 Florida Funding Corporation, along with the Office of  
58 Tourism, Trade, and Economic Development and Enterprise

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59 Florida, Inc., to review the performance and progress of  
60 grant recipients of the Innovation Incentive Program;  
61 revising membership requirements of the board of directors  
62 of the Scripps Florida Funding Corporation; authorizing  
63 the corporation to include on the same meeting agenda  
64 matters related to The Scripps Research Institute and the  
65 Innovation Incentive Program; deleting obsolete  
66 provisions; revising the duties of the corporation;  
67 revising the contract requirements between the corporation  
68 and the grant recipients; requiring the corporation to  
69 submit to the Governor and the Legislature a report  
70 related to the activities of the Innovation Incentive  
71 Program; providing requirements for the report; amending  
72 s. 288.9624, F.S.; providing that venture-capital funds  
73 affiliated with certain state universities are eligible  
74 for investment by the Florida Opportunity Fund; amending  
75 s. 220.191, F.S.; requiring applications for capital  
76 investment tax credits to be reviewed under a specified  
77 provision; amending s. 288.063, F.S.; requiring that  
78 adoption of criteria by which certain transportation  
79 projects are to be specified and identified be done in  
80 accordance with a specified provision; amending s.  
81 288.065, F.S.; revising Rural Community Development  
82 Revolving Loan Fund program requirements; amending s.  
83 288.0655, F.S.; authorizing the Office of Tourism, Trade,  
84 and Economic Development to award grants for a certain  
85 percentage of total infrastructure project costs for  
86 certain catalyst site funding applications; providing for  
87 waiver of the local matching requirement; expanding

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88 eligible facilities for authorized infrastructure  
89 projects; amending s. 288.0656, F.S.; providing  
90 legislative intent; revising and providing definitions;  
91 providing certain additional review and action  
92 requirements for REDI relating to rural communities;  
93 revising representation on REDI; deleting a limitation on  
94 characterization as a rural area of critical economic  
95 concern; authorizing rural areas of critical economic  
96 concern to designate certain catalyst projects for certain  
97 purposes; providing project requirements; requiring the  
98 initiative to assist local governments with certain  
99 comprehensive planning needs; providing procedures and  
100 requirements for such assistance; revising certain  
101 reporting requirements for REDI; amending s. 288.0657,  
102 F.S.; revising the definition for a rural community;  
103 providing two full-time equivalent position and an  
104 appropriation for the Office of Tourism, Trade, and  
105 Economic Development; amending ss. 257.193, 288.019,  
106 288.06561, and 627.6699, F.S.; conforming cross-  
107 references; providing an effective date.

108  
109 Be It Enacted by the Legislature of the State of Florida:

110  
111 Section 1. Section 288.061, Florida Statutes, is created to  
112 read:

113 288.061 Economic development incentive application  
114 process.--

115 (1) In order to expedite and provide a quick review process  
116 for certifying economic development incentive applications under

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117 this part, Enterprise Florida, Inc., shall review each submitted  
118 application and inform the applicant if its application is not  
119 complete within 10 business days. Once the application is deemed  
120 complete, Enterprise Florida, Inc., shall have 10 business days  
121 to evaluate the application and recommend approval or disapproval  
122 to the director of the Office of Tourism, Trade, and Economic  
123 Development. In recommending approval, Enterprise Florida, Inc.,  
124 shall include in its evaluation a recommended grant award amount  
125 and a review of the applicant's ability to meet specific program  
126 criteria.

127 (2) Upon receipt of the evaluation and recommendation of  
128 Enterprise Florida, Inc., the Office of Tourism, Trade, and  
129 Economic Development shall have 10 calendar days to notify  
130 Enterprise Florida, Inc., if the application is not complete. The  
131 director shall have 35 calendar days following the time the  
132 recommendation is received from Enterprise Florida, Inc., to  
133 review the application and issue a letter of certification to the  
134 applicant which approves or disapproves the application and  
135 includes justification, unless the applicant requests an  
136 extension of time. The final order shall specify the total amount  
137 of the award, the performance conditions that must be met in  
138 order to obtain the award, and the schedule for payment.

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

141 288.063 Contracts for transportation projects.--

142 (4) The Office of Tourism, Trade, and Economic Development  
143 may adopt criteria by which transportation projects are to be  
144 reviewed and certified in accordance with s. 288.061 specified  
145 and identified. In approving transportation projects for funding,

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146 the office ~~of Tourism, Trade, and Economic Development~~ shall  
147 consider factors including, but not limited to, the cost per job  
148 created or retained considering the amount of transportation  
149 funds requested; the average hourly rate of wages for jobs  
150 created; the reliance on the program as an inducement for the  
151 project's location decision; the amount of capital investment to  
152 be made by the business; the demonstrated local commitment; the  
153 location of the project in an enterprise zone designated pursuant  
154 to s. 290.0055; the location of the project in a spaceport  
155 territory as defined in s. 331.304; the unemployment rate of the  
156 surrounding area; the poverty rate of the community; and the  
157 adoption of an economic element as part of its local  
158 comprehensive plan in accordance with s. 163.3177(7)(j). The  
159 office ~~of Tourism, Trade, and Economic Development~~ may contact  
160 any agency it deems appropriate for additional input regarding  
161 the approval of projects.

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

164 288.0655 Rural Infrastructure Fund.--

165 (3) The office, in consultation with Enterprise Florida,  
166 Inc., VISIT Florida, the Department of Environmental Protection,  
167 and the Florida Fish and Wildlife Conservation Commission, as  
168 appropriate, shall review and certify applications pursuant to s.  
169 288.061. The review shall include an evaluation of ~~and evaluate~~  
170 the economic benefit of the projects and their long-term  
171 viability. The office shall have final approval for any grant  
172 under this section ~~and must make a grant decision within 30 days~~  
173 ~~of receiving a completed application.~~

174 Section 4. Section 288.097, Florida Statutes, is created to

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175 read:

176 288.097 Building Florida's Future Revolving Loan Guarantee  
177 Program.--

178 (1) There is created within the Office of Tourism, Trade,  
179 and Economic Development the Building Florida's Future Revolving  
180 Loan Guarantee Program. The purpose of the program is to provide  
181 loan guarantees or credit enhancements to units of local  
182 government or private entities seeking financing to construct or  
183 modernize facilities and infrastructure necessary to attract or  
184 expand targeted industries as part of an economic-development  
185 project. As used in this section, the term "targeted industries"  
186 means those industries referenced in s. 288.106(1)(o).

187 (2) The program may provide loan guarantees or other credit  
188 enhancements to applicants seeking financing for the following  
189 purposes:

190 (a) The acquisition of land, buildings, or fixed equipment;

191 (b) Site preparation and the construction or reconstruction  
192 of buildings; or

193 (c) The installation of or provision of access to  
194 telecommunications, energy sources, or other water supply  
195 utilities.

196 (3)(a) All moneys available within the program's trust  
197 fund, including investment earnings, are designated to carry out  
198 the purposes of this section.

199 (b) Any funds within the trust fund which are not needed on  
200 an immediate basis for loan guarantees or credit enhancements may  
201 be invested pursuant to s. 215.49. The cost of administering the  
202 program may be paid from reasonable service fees that may be  
203 imposed upon applicants so as to enhance program perpetuity.

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204       (4) The office also shall consider, but need not be limited  
205 to, the following criteria in evaluating projects for assistance:

206       (a) A demonstration that the project would create or  
207 enhance economic benefits.

208       (b) The likelihood that the loan guarantee or credit  
209 enhancement would enable the project to proceed.

210       (c) The extent to which assistance would foster innovative  
211 public-private partnerships and attract private debt or equity  
212 investment.

213       (d) The creditworthiness of the entity or entities applying  
214 to the program.

215       (e) Whether the project is consistent, to the maximum  
216 extent feasible, with local government comprehensive plans.

217       (5) Enterprise Florida, Inc., shall assist the office in  
218 evaluating applications and determining whether an applicant  
219 meets the conditions of subsection (4).

220       (6) The office shall adopt rules to administer the program  
221 which specify the application forms, deadlines for submitting  
222 applications, requirements for the selection process, and  
223 requirements for audits.

224       (7) The office shall submit to the President of the Senate  
225 and the Speaker of the House of Representatives an annual report  
226 concerning activity within the program. The first report shall be  
227 submitted on January 5, 2009, and subsequent reports shall be  
228 submitted on January 5 every year thereafter, so long as the  
229 revolving fund exists.

230       (8) The fund shall be created if CS/CS/SB Senate Bill 2712  
231 or similar legislation is adopted in the same legislative session  
232 or an extension thereof and becomes law.



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233           Section 5. For the 2008-2009 fiscal year, the sum of \$20  
234 million is appropriated from the General Revenue Fund to the  
235 Building Florida's Future Revolving Trust Fund which shall be  
236 used by the Office of Tourism, Trade, and Economic Development  
237 for the purposes of administering this act. Notwithstanding the  
238 provisions of s. 216.301, Florida Statutes, the unexpended  
239 balance of this appropriation shall not revert.

240           Section 6. Paragraph (f) of subsection (2), paragraphs (b),  
241 (c), (d), (g), and (h) of subsection (3), paragraph (c) of  
242 subsection (5), and paragraphs (d) and (e) of subsection (6) of  
243 section 288.1045, Florida Statutes, are amended to read:

244           288.1045 Qualified defense contractor tax refund program.--

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

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

248           1. Receive refunds from the account for corporate income  
249 taxes due and paid pursuant to chapter 220 by that business  
250 beginning with the first taxable year of the business after  
251 entering into the agreement.

252           2. Receive funds from the General Revenue Fund and the  
253 Economic Development Trust Fund for the following taxes due and  
254 paid by that business ~~the qualified applicant beginning with the~~  
255 ~~applicant's first taxable year that begins~~ after entering into  
256 the agreement:

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

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

260           ~~b.3.~~ Intangible personal property taxes paid pursuant to  
261 chapter 199.

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

263 ~~d.5.~~ Excise taxes paid on documents pursuant to chapter  
264 201.

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

267 ~~f.7.~~ State communications services taxes administered under  
268 chapter 202. This provision does not apply to the gross receipts  
269 tax imposed under chapter 203 and administered under chapter 202  
270 or the local communications services tax authorized under s.  
271 202.19.

272  
273 However, a qualified applicant may not receive a tax refund  
274 pursuant to this section for any amount of credit, refund, or  
275 exemption granted such contractor for any of such taxes. If a  
276 refund for such taxes is provided by the office, which taxes are  
277 subsequently adjusted by the application of any credit, refund,  
278 or exemption granted to the qualified applicant other than that  
279 provided in this section, the qualified applicant shall reimburse  
280 the Economic Development Trust Fund for the amount of such  
281 credit, refund, or exemption. A qualified applicant must notify  
282 and tender payment to the office within 20 days after receiving a  
283 credit, refund, or exemption, other than that provided in this  
284 section. The addition of communications services taxes  
285 administered under chapter 202 is remedial in nature and  
286 retroactive to October 1, 2001. The office may make supplemental  
287 tax refund payments to allow for tax refunds for communications  
288 services taxes paid by an eligible qualified defense contractor  
289 after October 1, 2001.

290 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY

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291 DETERMINATION.--

292 (b) Applications for certification based on the  
293 consolidation of a Department of Defense contract or a new  
294 Department of Defense contract must be submitted to the office as  
295 prescribed by the office and must include, but are not limited  
296 to, the following information:

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

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

303 3. The Department of Defense contract numbers of the  
304 contract to be consolidated, the new Department of Defense  
305 contract number, or the "RFP" number of a proposed Department of  
306 Defense contract.

307 4. The date the contract was executed or is expected to be  
308 executed, and the date the contract is due to expire or is  
309 expected to expire.

310 5. The commencement date for project operations under the  
311 contract in this state.

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

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

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

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

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

324 10.11. A brief statement concerning the applicant's need  
325 for tax refunds, and the proposed uses of such refunds by the  
326 applicant.

327 ~~11.12.~~ A resolution adopted by the governing board ~~county~~  
328 ~~commissioners~~ of the county or municipality in which the project  
329 will be located, which recommends that the applicant be approved  
330 as a qualified applicant, and which indicates that the necessary  
331 commitments of local financial support for the applicant exist.  
332 Prior to the adoption of the resolution, the county commission  
333 may review the proposed public or private sources of ~~such~~ support  
334 and determine whether the proposed sources of local financial  
335 support can be provided or, for any applicant whose project is  
336 located in a county designated by the Rural Economic Development  
337 Initiative, a resolution adopted by the county commissioners of  
338 such county requesting that the applicant's project be exempt  
339 from the local financial support requirement.

340 ~~12.13.~~ Any additional information requested by the office.

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

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

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

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

351 3. The Department of Defense contract numbers of the  
352 contract under which the defense production jobs will be  
353 converted to nondefense production jobs.

354 4. The date the contract was executed, and the date the  
355 contract is due to expire or is expected to expire, or was  
356 canceled.

357 5. The commencement date for the nondefense production  
358 operations in this state.

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

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

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

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

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

371 10.11. A brief statement concerning the applicant's need  
372 for tax refunds, and the proposed uses of such refunds by the  
373 applicant.

374 11.12. A resolution adopted by the governing board ~~county~~  
375 ~~commissioners~~ of the county or municipality in which the project  
376 will be located, which recommends that the applicant be approved  
377 as a qualified applicant, and which indicates that the necessary

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378 commitments of local financial support for the applicant exist.  
379 Prior to the adoption of the resolution, the county commission  
380 may review the proposed public or private sources of ~~such~~ support  
381 and determine whether the proposed sources of local financial  
382 support can be provided or, for any applicant whose project is  
383 located in a county designated by the Rural Economic Development  
384 Initiative, a resolution adopted by the county commissioners of  
385 such county requesting that the applicant's project be exempt  
386 from the local financial support requirement.

387 ~~12.13.~~ Any additional information requested by the office.

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

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

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

397 3. The business entity holding a valid Department of  
398 Defense contract or branch of the Armed Forces of the United  
399 States that previously occupied the facility, and the date such  
400 entity last occupied the facility.

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

404 5. The date the contract to reuse the facility was executed  
405 or is expected to be executed, and the date the contract is due  
406 to expire or is expected to expire.

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407 6. The commencement date for project operations under the  
408 contract in this state.

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

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

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

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

418 10.11. A brief statement concerning the applicant's need  
419 for tax refunds, and the proposed uses of such refunds by the  
420 applicant.

421 11.12. A resolution adopted by the governing board ~~county~~  
422 ~~commissioners~~ of the county or municipality in which the project  
423 will be located, which recommends that the applicant be approved  
424 as a qualified applicant, and which indicates that the necessary  
425 commitments of local financial support for the applicant exist.  
426 Prior to the adoption of the resolution, the county commission  
427 may review the proposed public or private sources of ~~such~~ support  
428 and determine whether the proposed sources of local financial  
429 support can be provided or, for any applicant whose project is  
430 located in a county designated by the Rural Economic Development  
431 Initiative, a resolution adopted by the county commissioners of  
432 such county requesting that the applicant's project be exempt  
433 from the local financial support requirement.

434 12.13. Any additional information requested by the office.

435 (g) Applications shall be reviewed and certified pursuant

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436 to s. 288.061. If appropriate, the director shall enter into a  
437 written agreement with the qualified applicant pursuant to  
438 subsection (4). ~~The office shall forward its written findings and~~  
439 ~~evaluation on each application meeting the requirements of~~  
440 ~~paragraphs (b) and (c), paragraphs (c) and (e), or paragraphs (d)~~  
441 ~~and (e) to the director within 60 calendar days after receipt of~~  
442 ~~a complete application. The office shall notify each applicant~~  
443 ~~when its application is complete, and when the 60-day period~~  
444 ~~begins. In its written report to the director, the office shall~~  
445 ~~specifically address each of the factors specified in paragraph~~  
446 ~~(f), and shall make a specific assessment with respect to the~~  
447 ~~minimum requirements established in paragraph (e). The office~~  
448 ~~shall include in its report projections of the tax refunds the~~  
449 ~~applicant would be eligible to receive in each fiscal year based~~  
450 ~~on the creation and maintenance of the net new Florida jobs~~  
451 ~~specified in subparagraph (b)6., subparagraph (c)6., or~~  
452 ~~subparagraph (d)7. as of December 31 of the preceding state~~  
453 ~~fiscal year.~~

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

461 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE  
462 CONTRACTOR.--

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



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465 Economic Development Trust Fund for that refund. If the local  
466 financial support is less than 20 percent of the approved tax  
467 refund, the tax refund shall be reduced. The tax refund paid may  
468 not exceed 5 times the local financial support received. Funding  
469 from local sources includes tax abatement under s. 196.1995 or  
470 the appraised market value of municipal or county land, including  
471 any improvements or structures conveyed or provided at a discount  
472 through a sale of lease to that ~~provided to a qualified~~  
473 applicant. The amount of any tax refund for an applicant approved  
474 under this section shall be reduced by the amount of any ~~such~~ tax  
475 abatement granted or the value of the land granted, including the  
476 value of any improvements or structures, and the limitations in  
477 subsection (2) and paragraph (3) (h) shall be reduced by the  
478 amount of any such tax abatement or the value of the land  
479 granted, including any improvements or structures. A report  
480 listing all sources of ~~the~~ local financial support shall be  
481 provided to the office if ~~when~~ such support is paid to the  
482 Economic Development Trust Fund.

483 (6) ADMINISTRATION.--

484 ~~(d) By December 1 of each year, the office shall submit a~~  
485 ~~complete and detailed report to the Governor, the President of~~  
486 ~~the Senate, and the Speaker of the House of Representatives of~~  
487 ~~all tax refunds paid under this section, including analyses of~~  
488 ~~benefits and costs, types of projects supported, employment and~~  
489 ~~investment created, geographic distribution of tax refunds~~  
490 ~~granted, and minority business participation. The report must~~  
491 ~~indicate whether the moneys appropriated by the Legislature to~~  
492 ~~the qualified applicant tax refund program were expended in a~~  
493 ~~prudent, fiducially sound manner.~~

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

497        Section 7. Paragraph (r) of subsection (1), subsection (3),  
498 and paragraph (b) of subsection (4) of section 288.106, Florida  
499 Statutes, are amended to read:

500        288.106 Tax refund program for qualified target industry  
501 businesses.--

502        (1) DEFINITIONS.-- As used in this section:

503        (r) "Rural county" means a county with a population of  
504 75,000 or fewer or a county with a population of 120,000 ~~100,000~~  
505 or fewer which is contiguous to a county with a population of  
506 75,000 or fewer.

507        (4) TAX REFUND AGREEMENT.--

508        (b) Compliance with the terms and conditions of the  
509 agreement is a condition precedent for the receipt of a tax  
510 refund each year. The failure to comply with the terms and  
511 conditions of the tax refund agreement results in the loss of  
512 eligibility for receipt of all tax refunds previously authorized  
513 under this section and the revocation by the director of the  
514 certification of the business entity as a qualified target  
515 industry business, unless the business is eligible to receive and  
516 elects to accept a prorated refund under paragraph (5)(d) or the  
517 office grants the business an economic-stimulus exemption.

518        1. A qualified target industry business may submit, in  
519 writing, a request to the office for an economic-stimulus  
520 exemption. The request must provide quantitative evidence  
521 demonstrating how negative economic conditions in the business's  
522 industry, ~~the effects of the impact of a named hurricane or~~

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523 ~~tropical storm, or specific acts of terrorism affecting the~~  
524 ~~qualified target industry business~~ have prevented the business  
525 from complying with the terms and conditions of its tax refund  
526 agreement.

527 2. Upon receipt of a request under subparagraph 1., the  
528 director shall have 45 days to notify the requesting business, in  
529 writing, if its exemption has been granted or denied. In  
530 determining if an exemption should be granted, the director shall  
531 consider the extent to which negative economic conditions in the  
532 requesting business's industry, ~~the effects of the impact of a~~  
533 ~~named hurricane or tropical storm, or specific acts of terrorism~~  
534 ~~affecting the qualified target industry business~~ have prevented  
535 the business from complying with the terms and conditions of its  
536 tax refund agreement. The office shall consider current Florida  
537 employment statistics by industry, including whether the  
538 business's industry had substantial job loss during the prior  
539 year, when determining whether an economic stimulus exemption  
540 shall be granted.

541 3. As a condition for receiving a prorated refund under  
542 paragraph (5) (d) or an economic-stimulus exemption under this  
543 paragraph, a qualified target industry business must agree to  
544 renegotiate its tax refund agreement with the office to, at a  
545 minimum, ensure that the terms of the agreement comply with  
546 current law and office procedures governing application for and  
547 award of tax refunds. Upon approving the award of a prorated  
548 refund or granting an economic-stimulus exemption, the office  
549 shall renegotiate the tax refund agreement with the business as  
550 required by this subparagraph. When amending the agreement of a  
551 business receiving an economic-stimulus exemption, the office may

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552 extend the duration of the agreement for a period not to exceed 2  
553 years.

554 4. A qualified target industry business may submit a  
555 request for an economic-stimulus exemption to the office in lieu  
556 of any tax refund claim scheduled to be submitted after January  
557 1, 2008 ~~2005~~, but before July 1, 2009 ~~2006~~.

558 5. A qualified target industry business that receives an  
559 economic-stimulus exemption may not receive a tax refund for the  
560 period covered by the exemption.

561 (3) APPLICATION AND APPROVAL PROCESS.--

562 (a) To apply for certification as a qualified target  
563 industry business under this section, the business must file an  
564 application with the office before the business has made the  
565 decision to locate a new business in this state or before the  
566 business had made the decision to expand an existing business in  
567 this state. The application must ~~shall~~ include, but is not  
568 limited to, the following information:

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

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

573 3. A description of the type of business activity or  
574 product covered by the project, including, at a minimum, the  
575 NAICS ~~four-digit SIC~~ codes for all activities included in the  
576 project.

577 4. The number of net new full-time equivalent state ~~Florida~~  
578 jobs at the qualified target industry business as of December 31  
579 of each year included in the project and the average wage for ~~of~~  
580 those jobs. If more than one type of business activity or product

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581 is included in the project, the number of jobs and average wage  
582 for those jobs must be separately stated for each type of  
583 business activity or product.

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

586 6. The anticipated commencement date of the project.

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

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

592 9. A resolution adopted by the governing board of the  
593 county or municipality in which the project will be located,  
594 which resolution recommends that certain types of businesses be  
595 approved as a qualified target industry business and states that  
596 the commitments of local financial support necessary for the  
597 target industry business exist. In advance of the passage of such  
598 resolution, the office may also accept an official letter from an  
599 authorized local economic development agency that endorses the  
600 proposed target industry project and pledges that sources of  
601 local financial support for such project exist. For the purposes  
602 of making pledges of local financial support under this  
603 subsection, the authorized local economic development agency must  
604 ~~shall~~ be officially designated by the passage of a one-time  
605 resolution by the local governing authority.

606 10. Any additional information requested by the office.

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

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610 1. The jobs proposed to be provided under the application,  
611 pursuant to subparagraph (a)4., must pay an estimated annual  
612 average wage equaling at least 115 percent of the average private  
613 sector wage in the area where the business is to be located or  
614 the statewide private sector average wage. In determining the  
615 average annual wage, the office shall include only new proposed  
616 jobs, and wages for existing jobs shall be excluded from the  
617 calculation. The office may waive the ~~this~~ average wage  
618 requirement at the request of the local governing body  
619 recommending the project and Enterprise Florida, Inc. The wage  
620 requirement may only be waived for a project located in a  
621 brownfield area designated under s. 376.80, ~~or~~ in a rural city or  
622 county, or in an enterprise zone and only when the merits of the  
623 individual project or the specific circumstances in the community  
624 in relationship to the project warrant such action. If the local  
625 governing body and Enterprise Florida, Inc., make such a  
626 recommendation, it must be transmitted in writing and the  
627 specific justification for the waiver recommendation must be  
628 explained. If the director elects to waive the wage requirement,  
629 the waiver must be stated in writing and the reasons for granting  
630 the waiver must be explained.

631 2. The target industry business's project must result in  
632 the creation of at least 10 jobs at such project and, if an  
633 expansion of an existing business, must result in a net increase  
634 in employment of at least ~~not less than~~ 10 percent at the such  
635 business. Notwithstanding the definition of the term "expansion  
636 of an existing business" in paragraph (1)(g), at the request of  
637 the local governing body recommending the project and Enterprise  
638 Florida, Inc., the office may define an "expansion of an existing

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639 business" in a rural community or an enterprise zone as the  
640 expansion of a business resulting in a net increase in employment  
641 of less than 10 percent at such business if the merits of the  
642 individual project or the specific circumstances in the community  
643 in relationship to the project warrant such action. If the local  
644 governing body and Enterprise Florida, Inc., make such a request,  
645 it must be transmitted in writing and the specific justification  
646 for the request must be explained. If the director elects to  
647 grant the ~~such~~ request, it ~~such election~~ must be stated in  
648 writing and the reason for granting the request must be  
649 explained.

650 3. The business activity or product for the applicant's  
651 project is within an industry or industries that have been  
652 identified by the office to be high-value-added industries that  
653 contribute to the area and to the economic growth of the state  
654 and that produce a higher standard of living for residents  
655 ~~citizens~~ of this state in the new global economy or that can be  
656 shown to make an equivalent contribution to the area and state's  
657 economic progress. The director must approve requests to waive  
658 the wage requirement for brownfield areas designated under s.  
659 376.80 unless it is demonstrated that such action is not in the  
660 public interest.

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

665 1. Expected contributions to the state strategic economic  
666 development plan adopted by Enterprise Florida, Inc., taking into  
667 account the long-term effects of the project and of the applicant

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668 on the state economy.

669 2. The economic benefit of the jobs created by the project  
670 in this state, taking into account the cost and average wage of  
671 each job created.

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

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

675 5. The effect of the project on the local community, taking  
676 into account the unemployment rate for the county where the  
677 project will be located.

678 6. The effect of any tax refunds granted pursuant to this  
679 section on the viability of the project and the probability that  
680 the project will be undertaken in this state if such tax refunds  
681 are granted to the applicant, taking into account the expected  
682 long-term commitment of the applicant to economic growth and  
683 employment in this state.

684 7. The expected long-term commitment to this state  
685 resulting from the project.

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

691 (d) Applications shall be reviewed and certified pursuant  
692 to s. 288.061 ~~The office shall forward its written findings and~~  
693 ~~evaluation concerning each application meeting the requirements~~  
694 ~~of paragraph (b) to the director within 45 calendar days after~~  
695 ~~receipt of a complete application. The office shall notify each~~  
696 ~~target industry business when its application is complete, and of~~



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697 ~~the time when the 45-day period begins. In its written report to~~  
698 ~~the director, the office shall specifically address each of the~~  
699 ~~factors specified in paragraph (c) and shall make a specific~~  
700 ~~assessment with respect to the minimum requirements established~~  
701 ~~in paragraph (b).~~ The office shall include in its review report  
702 projections of the tax refunds the business would be eligible to  
703 receive in each fiscal year based on the creation and maintenance  
704 of the net new Florida jobs specified in subparagraph (a)4. as of  
705 December 31 of the preceding state fiscal year.

706 ~~(c)1. Within 30 days after receipt of the office's findings~~  
707 ~~and evaluation, the director shall issue a letter of~~  
708 ~~certification that either approves or disapproves the application~~  
709 ~~of the target industry business. The decision must be in writing~~  
710 ~~and must provide the justifications for approval or disapproval.~~

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

714 ~~(e)-(f)~~ (e) The director may not certify any target industry  
715 business as a qualified target industry business if the value of  
716 tax refunds to be included in that letter of certification  
717 exceeds the available amount of authority to certify new  
718 businesses as determined in s. 288.095(3). However, if the  
719 commitments of local financial support represent less than 20  
720 percent of the eligible tax refund payments, or to otherwise  
721 preserve the viability and fiscal integrity of the program, the  
722 director may certify a qualified target industry business to  
723 receive tax refund payments of less than the allowable amounts  
724 specified in paragraph (2) (b). A letter of certification that  
725 approves an application must specify the maximum amount of tax

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726 refund that will be available to the qualified industry business  
727 in each fiscal year and the total amount of tax refunds that will  
728 be available to the business for all fiscal years.

729 ~~(f)(g) Nothing in~~ This section does not shall create a  
730 presumption that an applicant shall will receive any tax refunds  
731 under this section. However, the office may issue nonbinding  
732 opinion letters, upon the request of prospective applicants, as  
733 to the applicants' eligibility and the potential amount of  
734 refunds.

735 Section 8. Paragraph (f) of subsection (4) of section  
736 288.107, Florida Statutes, is amended to read:

737 288.107 Brownfield redevelopment bonus refunds.--

738 (4) PAYMENT OF BROWNFIELD REDEVELOPMENT BONUS REFUNDS.--

739 (f) Applications shall be reviewed and certified pursuant  
740 to s. 288.106. The office shall review all applications submitted  
741 under s. 288.106 or other similar application forms for other  
742 eligible businesses as defined in paragraph (1)(e) which indicate  
743 that the proposed project will be located in a brownfield and  
744 determine, with the assistance of the Department of Environmental  
745 Protection, that the project location is within a brownfield as  
746 provided in this act.

747 Section 9. Paragraphs (b), (c), and (d) of subsection (5)  
748 and subsections (7) and (8) of section 288.108, Florida Statutes,  
749 are amended to read:

750 288.108 High-impact business.--

751 (5) APPLICATIONS; CERTIFICATION PROCESS; GRANT AGREEMENT.--

752 (b) Applications shall be reviewed and certified pursuant  
753 to s. 288.106 ~~Enterprise Florida, Inc., shall review each~~  
754 ~~submitted application and inform the applicant business whether~~

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755 ~~or not its application is complete within 10 working days. Once~~  
756 ~~the application is deemed complete, Enterprise Florida, Inc., has~~  
757 ~~10 working days within which to evaluate the application and~~  
758 ~~recommend approval or disapproval of the application to the~~  
759 ~~director. In recommending an applicant business for approval,~~  
760 ~~Enterprise Florida, Inc., shall include a recommended grant award~~  
761 ~~amount in its evaluation forwarded to the office.~~

762 ~~(c) Upon receipt of the evaluation and recommendation of~~  
763 ~~Enterprise Florida, Inc., the director has 5 working days to~~  
764 ~~enter a final order that either approves or disapproves an~~  
765 ~~applicant business as a qualified high-impact business facility,~~  
766 ~~unless the business requests an extension of the time. The final~~  
767 ~~order shall specify the total amount of the qualified high-impact~~  
768 ~~business facility performance grant award, the performance~~  
769 ~~conditions that must be met to obtain the award, and the schedule~~  
770 ~~for payment of the performance grant.~~

771 ~~(c)(d)~~ (c) The director and the qualified high-impact business  
772 shall enter into a performance grant agreement setting forth the  
773 conditions for payment of the qualified high-impact business  
774 performance grant. The agreement shall include the total amount  
775 of the qualified high-impact business facility performance grant  
776 award, the performance conditions that must be met to obtain the  
777 award, including the employment, average salary, investment, the  
778 methodology for determining if the conditions have been met, and  
779 the schedule of performance grant payments.

780 ~~(7) REPORTING.—The office shall by December 1 of each year~~  
781 ~~issue a complete and detailed report of all designated high-~~  
782 ~~impact sectors, all applications received and their disposition,~~  
783 ~~all final orders issued, and all payments made, including~~

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784 ~~analyses of benefits and costs, types of projects supported, and~~  
785 ~~employment and investments created. The report shall be submitted~~  
786 ~~to the Governor, the President of the Senate, and the Speaker of~~  
787 ~~the House of Representatives.~~

788 (7)~~(8)~~ RULEMAKING.--The office may adopt rules ~~necessary to~~  
789 ~~administer~~ carry out the provisions of this section.

790 Section 10. Paragraph (a) of subsection (3) of section  
791 288.1088, Florida Statutes, is amended to read:

792 288.1088 Quick Action Closing Fund.--

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

796 Enterprise Florida, Inc., in consultation with the Office of  
797 Tourism, Trade, and Economic Development, may waive these  
798 criteria based on extraordinary circumstances if the project  
799 would significantly benefit the local or regional economy.

800 Enterprise Florida, Inc., shall evaluate individual proposals for  
801 high-impact business facilities and forward recommendations  
802 regarding the use of moneys in the fund for such facilities to  
803 the director of the Office of Tourism, Trade, and Economic  
804 Development. The ~~Such~~ evaluation and recommendation must include,  
805 but need not be limited to:

806 1. A description of the type of facility or infrastructure,  
807 its operations, and the associated product or service associated  
808 with the facility.

809 2. The number of full-time-equivalent jobs that will be  
810 created by the facility and the total estimated average annual  
811 wages of those jobs or, in the case of privately developed rural  
812 infrastructure, the types of business activities and jobs

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813 stimulated by the investment.

814 3. The cumulative amount of investment to be dedicated to  
815 the facility within a specified period.

816 4. A statement of any special impacts the facility is  
817 expected to stimulate in a particular business sector in the  
818 state or regional economy or in the state's universities and  
819 community colleges.

820 5. A statement of the role the incentive is expected to  
821 play in the decision of the applicant business to locate or  
822 expand in this state or for the private investor to provide  
823 critical rural infrastructure.

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

826 a. A financial analysis of the company, including an  
827 evaluation of the company's short-term liquidity ratio as  
828 measured by its assets to liability, the company's profitability  
829 ratio, and the company's long-term solvency as measured by its  
830 debt-to-equity ratio;

831 b. The historical market performance of the company;

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

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

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

837 Section 11. Section 288.1089, Florida Statutes, is amended  
838 to read:

839 288.1089 Innovation Incentive Program.--

840 (1) The Innovation Incentive Program is created within the  
841 Office of Tourism, Trade, and Economic Development to ensure that

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842 sufficient resources are available to allow the state to respond  
843 expeditiously to extraordinary economic opportunities and to  
844 compete effectively for high-value research and development and  
845 innovation business projects.

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

847 (a) "Average private sector wage" means the statewide  
848 average wage in the private sector or the average of all private  
849 sector wages in the county or in the standard metropolitan area  
850 in which the project is located as determined by the Agency for  
851 Workforce Innovation.

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

854 (c) "Corporation" means the Scripps Florida Funding  
855 Corporation.

856 (d)~~(e)~~ "Cumulative investment" means cumulative capital  
857 investment and all eligible capital costs, as defined in s.  
858 220.191.

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

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

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

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

869 (i)~~(h)~~ "Jobs" means full-time equivalent positions, as that  
870 term is consistent with terms used by the Agency for Workforce

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871 Innovation and the United States Department of Labor for purposes  
872 of unemployment compensation tax administration and employment  
873 estimation, resulting directly from a project in this state. The  
874 term does not include temporary construction jobs.

875 (j)~~(i)~~ "Match" means funding from local sources, public or  
876 private, which will be paid to the applicant and which is equal  
877 to 100 percent of an award. Eligible match funding may include  
878 any tax abatement granted to the applicant under s. 196.1995 or  
879 the appraised market value of land, buildings, infrastructure, or  
880 equipment conveyed or provided at a discount to the applicant.  
881 Complete documentation of a match payment or other conveyance  
882 must be presented to and verified by the office prior to transfer  
883 of state funds to an applicant. An applicant may not provide,  
884 directly or indirectly, more than 5 percent of match funding in  
885 any fiscal year. The sources of such funding may not include,  
886 directly or indirectly, state funds appropriated from the General  
887 Revenue Fund or any state trust fund, excluding tax revenues  
888 shared with local governments pursuant to law.

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

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

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

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

901        (o) ~~(l)~~ "Research and development" means basic and applied  
902 research in the sciences or engineering, as well as the design,  
903 development, and testing of prototypes or processes of new or  
904 improved products. Research and development does not include  
905 market research, routine consumer product testing, sales  
906 research, research in the social sciences or psychology,  
907 nontechnological activities, or technical services.

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

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

914        (3) To be eligible for consideration for an innovation  
915 incentive award, an innovation business or research and  
916 development entity must submit a written application to  
917 Enterprise Florida, Inc., before making a decision to locate new  
918 operations in this state or expand an existing operation in this  
919 state. The application must include, but not be limited to:

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

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



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

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

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

933 (f) The number of net new full-time equivalent jobs in this  
934 state the applicant anticipates having created as of December 31  
935 of each year in the project; ~~and~~ the average annual wage of such  
936 jobs; and the average annual wage of nonmanagement, nonresearch  
937 jobs.

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

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

941 (i) A detailed explanation of why the innovation incentive  
942 is needed to induce the applicant to expand or locate in the  
943 state and whether an award would cause the applicant to locate or  
944 expand in this state.

945 (j) If applicable, an estimate of the proportion of the  
946 revenues resulting from the project that will be generated  
947 outside this state.

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

951 (a) The jobs created by the project must pay an estimated  
952 annual average wage equaling at least 130 percent of the average  
953 private sector wage. The office may waive this average wage  
954 requirement at the request of Enterprise Florida, Inc., for a  
955 project located in a rural area, a brownfield area, or an

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956 enterprise zone, when the merits of the individual project or the  
957 specific circumstances in the community in relationship to the  
958 project warrant such action. A recommendation for waiver by  
959 Enterprise Florida, Inc., must include a specific justification  
960 for the waiver and be transmitted to the office in writing. If  
961 the director elects to waive the wage requirement, the waiver  
962 must be stated in writing and the reasons for granting the waiver  
963 must be explained.

964 (b) A research and development project must:

965 1. Serve as a catalyst for an emerging or evolving  
966 technology cluster.

967 2. Demonstrate a plan for significant higher education  
968 collaboration.

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

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

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

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

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

982 2. Have an activity or product that is within an industry  
983 that is designated as a target industry business under s. 288.106  
984 or a designated sector under s. 288.108.

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

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

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

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

998 (a) A description of the project, its required facilities,  
999 and the associated product, service, or research and development  
1000 associated with the project.

1001 (b) The percentage of match provided for the project.

1002 (c) The number of full-time equivalent jobs that will be  
1003 created by the project, the total estimated average annual wages  
1004 of such jobs, the average annual wages of nonmanagement and  
1005 nonresearch jobs, and the types of business activities and jobs  
1006 likely to be stimulated by the project.

1007 (d) The cumulative investment to be dedicated to the  
1008 project within 5 years and the total investment expected in the  
1009 project if more than 5 years.

1010 (e) The projected economic and fiscal impacts on the local  
1011 and state economies relative to investment.

1012 (f) A statement of any special impacts the project is  
1013 expected to stimulate in a particular business sector in the

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1014 state or regional economy or in the state's universities and  
1015 community colleges.

1016 (g) A statement of any anticipated or proposed  
1017 relationships with state universities.

1018 (h) A statement of the role the incentive is expected to  
1019 play in the decision of the applicant to locate or expand in this  
1020 state.

1021 (i) A recommendation and explanation of the amount of the  
1022 award needed to cause the applicant to expand or locate in this  
1023 state.

1024 (j) A discussion of the efforts and commitments made by the  
1025 local community in which the project is to be located to induce  
1026 the applicant's location or expansion, taking into consideration  
1027 local resources and abilities.

1028 (k) A recommendation for specific performance criteria the  
1029 applicant would be expected to achieve in order to receive  
1030 payments from the fund and penalties or sanctions for failure to  
1031 meet or maintain performance conditions.

1032 (l) For a research and development facility project:

1033 1. A description of the extent to which the project has the  
1034 potential to serve as catalyst for an emerging or evolving  
1035 cluster.

1036 2. A description of the extent to which the project has or  
1037 could have a long-term collaborative research and development  
1038 relationship with one or more universities or community colleges  
1039 in this state.

1040 3. A description of the existing or projected impact of the  
1041 project on established clusters or targeted industry sectors.

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1042 4. A description of the project's contribution to the  
1043 diversity and resiliency of the innovation economy of this state.

1044 5. A description of the project's impact on special needs  
1045 communities, including, but not limited to, rural areas,  
1046 distressed urban areas, and enterprise zones.

1047 (6) In consultation with Enterprise Florida, Inc., the  
1048 office may negotiate the proposed amount of an award for any  
1049 applicant meeting the requirements of this section. In  
1050 negotiating such award, the office shall consider the amount of  
1051 the incentive needed to cause the applicant to locate or expand  
1052 in this state in conjunction with other relevant applicant impact  
1053 and cost information and analysis as described in this section.  
1054 Particular emphasis shall be given to the potential for the  
1055 project to stimulate additional private investment and high-  
1056 quality employment opportunities in the area.

1057 (7) Upon receipt of the evaluation and recommendation from  
1058 Enterprise Florida, Inc., the director shall recommend to the  
1059 Governor the approval or disapproval of an award. In recommending  
1060 approval ~~of an award~~, the director shall include proposed  
1061 performance conditions that the applicant must meet in order to  
1062 obtain incentive funds and any other conditions that must be met  
1063 before the receipt of any incentive funds. The Governor shall  
1064 consult with the President of the Senate and the Speaker of the  
1065 House of Representatives before giving approval for an award.  
1066 Upon review and approval of an award by the Legislative Budget  
1067 Commission, the Executive Office of the Governor shall release  
1068 the funds ~~pursuant to the legislative consultation and review~~  
1069 ~~requirements set forth in s. 216.177.~~

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1070 (8) ~~After the conditions~~ Upon approval by the Governor and  
1071 ~~release of the funds as~~ set forth in subsection (7) have been  
1072 met, the director shall issue a letter certifying the applicant  
1073 as qualified for an award. The office and the award recipient  
1074 ~~applicant~~ shall enter into an agreement that sets forth the  
1075 conditions for payment of incentives. The agreement must include  
1076 at a minimum:

1077 (a) The total amount of funds awarded.†

1078 (b) The performance conditions that must be met to obtain  
1079 the award or portions of the award, including, but not limited  
1080 to, net new employment in the state, average wage, and total  
1081 cumulative investment. Where applicable, the performance  
1082 conditions must be at least at the levels specified in this  
1083 section for an applicant to qualify for consideration for an  
1084 Innovation Incentive Program grant award.†

1085 (c) Demonstration of a baseline of current service and a  
1086 measure of enhanced capability.†

1087 (d) The methodology for validating performance.†

1088 (e) The schedule of payments.† ~~and~~

1089 (f)1. A reinvestment requirement. Each award recipient  
1090 shall be required to reinvest between 10 percent and 15 percent  
1091 of the net royalty revenues, including revenues from spin-off  
1092 companies and the revenues from the sale of stock it receives  
1093 from the licensing or transfer of inventions, methods, processes,  
1094 and other patentable discoveries conceived or reduced to practice  
1095 using its Florida facilities or its Florida-based employees, in  
1096 whole or in part, to which the grant recipient becomes entitled  
1097 during the 20 years following the effective date of its agreement  
1098 with the state. Each award recipient also shall reinvest between

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1099 10 percent and 15 percent of the gross revenues it receives from  
1100 naming opportunities associated with any facility it builds in  
1101 this state.

1102 2. Reinvestment payments under this paragraph shall  
1103 commence no later than 6 months after the grant recipient has  
1104 received the final disbursement under the contract and continue  
1105 until the maximum reinvestment, as specified in the contract, has  
1106 been paid. Reinvestment payments shall be remitted to the state  
1107 for deposit in the Biomedical Research Trust Fund for companies  
1108 that specialize in biomedicine or life sciences, or in the  
1109 Economic Development Trust Fund for companies that specialize in  
1110 fields other than biomedicine or the life sciences, except that  
1111 10 percent of each reinvestment payment shall be deposited in the  
1112 Building Florida's Future Revolving Loan Guarantee Fund for its  
1113 specified purposes. If these trust funds no longer exist at the  
1114 time of the reinvestment, the state's share of reinvestment shall  
1115 be deposited in their successor trust funds, as determined by  
1116 law. Each award recipient shall annually submit a schedule of the  
1117 shares of stock held by it as payment of the royalty required by  
1118 this paragraph and report on any trades or activity concerning  
1119 such stock. Each award recipient's reinvestment obligations  
1120 survives the expiration or termination of its agreement with the  
1121 state.

1122 (g) Sanctions for failure to meet performance conditions,  
1123 including any clawback provisions.

1124 (h) Requirements for the establishment of internship  
1125 programs or other learning opportunities for educators and  
1126 secondary, postsecondary, graduate, and doctoral students.

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1127 (i) Requirements for each award recipient to submit  
1128 quarterly reports and annual reports related to activities and  
1129 performance to the office and to Enterprise Florida, Inc.

1130 (j) An annual accounting to the office of the expenditure  
1131 of funds disbursed under this section.

1132 (k) A process for amending the agreement.

1133 (9) Enterprise Florida, Inc., shall assist the office in  
1134 validating the performance of an innovation business or research  
1135 and development facility that has received an award.

1136 (10) At the conclusion of the innovation incentive award  
1137 agreement, or its earlier termination, Enterprise Florida, Inc.,  
1138 shall, within 90 days, report the results of the innovation  
1139 incentive award to the Governor, the President of the Senate, and  
1140 the Speaker of the House of Representatives.

1141 (11)-(10) Each award recipient shall comply with Enterprise  
1142 Florida, Inc., shall develop business ethics standards developed  
1143 by Enterprise Florida, Inc., which are based on appropriate best  
1144 industry practices which shall be applicable to all award  
1145 recipients. The standards shall address ethical duties of  
1146 business enterprises, fiduciary responsibilities of management,  
1147 and compliance with the laws of this state. Enterprise Florida,  
1148 Inc., may collaborate with the State University System in  
1149 reviewing and evaluating appropriate business ethics standards.  
1150 Such standards shall be provided to the Governor, the President  
1151 of the Senate, and the Speaker of the House of Representatives by  
1152 December 31, 2006. An award agreement entered into on or after  
1153 December 31, 2006, shall require a recipient to comply with the  
1154 business ethics standards developed pursuant to this section.



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1155 Section 12. Section 288.955, Florida Statutes, is amended  
1156 to read:

1157 288.955 Scripps Florida Funding Corporation.--

1158 (1) DEFINITIONS.--As used in this section, the term:

1159 (a) "Agreement" means an agreement between the Office of  
1160 Tourism, Trade, and Economic Development and recipients of  
1161 Innovation Incentive Program grants pursuant to s. 288.1089.

1162 (b)~~(a)~~ "Contract" means the contract executed between the  
1163 corporation and the grantee under this section.

1164 (c)~~(b)~~ "Corporation" means the Scripps Florida Funding  
1165 Corporation created under this section.

1166 (d)~~(e)~~ "Grantee" means The Scripps Research Institute, a  
1167 not-for-profit public benefit corporation, or a division,  
1168 subsidiary, affiliate, or entity formed by The Scripps Research  
1169 Institute to establish a state-of-the-art biomedical research  
1170 institution and campus in this state.

1171 (2) CREATION.--

1172 (a) There is created a not-for-profit corporation known as  
1173 the Scripps Florida Funding Corporation, which shall be  
1174 registered, incorporated, organized, and operated under chapter  
1175 617.

1176 (b) The corporation is not a unit or entity of state  
1177 government. However, the corporation is subject to the provisions  
1178 of s. 24, Art. I of the State Constitution and chapter 119,  
1179 relating to public meetings and records, and the provisions of  
1180 chapter 286 relating to public meetings and records.

1181 (c) The corporation must establish at least one corporate  
1182 office in this state and appoint a registered agent.

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1183 (d) The corporation shall hire or contract for all staff  
1184 necessary to the proper execution of its powers and duties within  
1185 the funds appropriated to implement this section and shall  
1186 require that all officers, directors, and employees of the  
1187 corporation comply with the code of ethics for public officers  
1188 and employees under part III of chapter 112. In no case may the  
1189 corporation expend more than \$300,000 in the first year and  
1190 \$200,000 per year thereafter for staffing and necessary  
1191 administrative expenditures, including, but not limited to,  
1192 travel and per diem and audit expenditures, using funds  
1193 appropriated to implement this section.

1194 (e) The Office of Tourism, Trade, and Economic Development  
1195 shall provide administrative support to the corporation as  
1196 requested by the corporation. In the event of the dissolution of  
1197 the corporation, the office shall be the corporation's successor  
1198 in interest and shall assume all rights, duties, and obligations  
1199 of the corporation under any contract to which the corporation is  
1200 then a party and under law.

1201 (3) PURPOSES ~~PURPOSE~~.--

1202 (a) The corporation shall be organized to receive, hold,  
1203 invest, administer, and disburse funds appropriated by the  
1204 Legislature for the establishment and operation of a state-of-  
1205 the-art biomedical research institution and campus in this state  
1206 by The Scripps Research Institute. The corporation shall  
1207 safeguard the state's commitment of financial support by ensuring  
1208 that, as a condition for the receipt of these funds, the grantee  
1209 meets its contractual obligations. In this manner, the  
1210 corporation shall facilitate and oversee the state goal and  
1211 public purpose of providing financial support for the institution

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1212 and campus in order to expand the amount and prominence of  
1213 biomedical research conducted in this state, provide an  
1214 inducement for high-technology businesses to locate in this  
1215 state, create educational opportunities through access to and  
1216 partnerships with the institution, and promote improved health  
1217 care through the scientific outcomes of the institution.

1218 (b) The corporation also shall serve in an oversight  
1219 capacity for the Innovation Incentive Program created in s.  
1220 288.1089. In that capacity, the corporation shall enter into a  
1221 partnership with the Office of Tourism, Trade, and Economic  
1222 Development and Enterprise Florida, Inc., in reviewing the  
1223 performance and progress of grant recipients of the Innovation  
1224 Incentive Program.

1225 (4) BOARD; MEMBERSHIP.--The corporation shall be governed  
1226 by a board of directors.

1227 (a) The board of directors shall consist of nine voting  
1228 members, of whom the Governor shall appoint three, the President  
1229 of the Senate shall appoint three, and the Speaker of the House  
1230 of Representatives shall appoint three. The director of the  
1231 Office of Tourism, Trade, and Economic Development or the  
1232 director's designee shall serve as an ex-officio, nonvoting  
1233 member of the board of directors.

1234 (b) Each member of the board of directors shall serve for a  
1235 term of 4 years, and except that initially the Governor, the  
1236 President of the Senate, and the Speaker of the House of  
1237 Representatives each shall appoint one member for a term of 1  
1238 year, one member for a term of 2 years, and one member for a term  
1239 of 4 years to achieve staggered terms among the members of the  
1240 board. a member is not eligible for reappointment to the board,

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1241 ~~except, however, that a member appointed to an initial term of 1~~  
1242 ~~year or 2 years may be reappointed for an additional term of 4~~  
1243 ~~years, and a person appointed to fill a vacancy with 2 years or~~  
1244 ~~less remaining on the term may be reappointed for an additional~~  
1245 ~~term of 4 years. The Governor, the President of the Senate, and~~  
1246 ~~the Speaker of the House of Representatives shall make their~~  
1247 ~~initial appointments to the board by November 15, 2003.~~

1248 (c) The Governor, the President of the Senate, or the  
1249 Speaker of the House of Representatives, respectively, shall fill  
1250 a vacancy on the board of directors, according to who appointed  
1251 the member whose vacancy is to be filled or whose term has  
1252 expired. A vacancy that occurs before the scheduled expiration of  
1253 the term of the member shall be filled for the remainder of the  
1254 unexpired term.

1255 (d) Each member of the board of directors who is not  
1256 otherwise required to file financial disclosure under s. 8, Art.  
1257 II of the State Constitution or s. 112.3144 shall file disclosure  
1258 of financial interests under s. 112.3145.

1259 (e) A person may not be appointed to the board of directors  
1260 if he or she has had any direct interest in any contract,  
1261 franchise, privilege, or other benefit granted by The Scripps  
1262 Research Institute, or any of its affiliate organizations, or  
1263 with any grant recipients of the Innovation Incentive Program  
1264 within 5 years before appointment. A person appointed to the  
1265 board of directors must agree to refrain from having any direct  
1266 interest in any contract, franchise, privilege, or other benefit  
1267 granted by The Scripps Research Institute, or any of its  
1268 affiliate organizations, or with any grant recipients of the  
1269 Innovation Incentive Program during the term of his or her

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1270 appointment and for 5 years after the termination of such  
1271 appointment. It is a misdemeanor of the first degree, punishable  
1272 as provided in s. 775.083 or s. 775.084, for a person to accept  
1273 appointment to the board of directors in violation of this  
1274 paragraph or to accept a direct interest in any contract,  
1275 franchise, privilege, or other benefit granted by the institution  
1276 or affiliate within 5 years after the termination of his or her  
1277 service on the board.

1278 (f) Each member of the board of directors shall serve  
1279 without compensation, but shall receive travel and per diem  
1280 expenses as provided in s. 112.061 while in the performance of  
1281 his or her duties.

1282 (g) Each member of the board of directors is accountable  
1283 for the proper performance of the duties of office, and each  
1284 member owes a fiduciary duty to the people of the state to ensure  
1285 that funds provided in furtherance of this section are disbursed  
1286 and used as prescribed by law and contract. The Governor, the  
1287 President of the Senate, or the Speaker of the House of  
1288 Representatives, according to which officer appointed the member,  
1289 may remove a member for malfeasance, misfeasance, neglect of  
1290 duty, incompetence, permanent inability to perform official  
1291 duties, unexcused absence from three consecutive meetings of the  
1292 board, arrest or indictment for a crime that is a felony or a  
1293 misdemeanor involving theft or a crime of dishonesty, or pleading  
1294 nolo contendere to, or being found guilty of, any crime.

1295 (5) ORGANIZATION; MEETINGS.--

1296 (a)1. The board of directors shall annually elect a  
1297 chairperson and a vice chairperson from among the board's  
1298 members. The members may, by a vote of five of the nine board

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1299 members, remove a member from the position of chairperson or vice  
1300 chairperson prior to the expiration of his or her term as  
1301 chairperson or vice chairperson. His or her successor shall be  
1302 elected to serve for the balance of the removed chairperson's or  
1303 vice chairperson's term.

1304 2. The chairperson is responsible to ensure that records  
1305 are kept of the proceedings of the board of directors and is the  
1306 custodian of all books, documents, and papers filed with the  
1307 board; the minutes of meetings of the board; and the official  
1308 seal of the corporation.

1309 (b)1. The board of directors shall meet upon the call of  
1310 the chairperson or at the request of a majority of the members,  
1311 but no less than three times per calendar year.

1312 2. A majority of the voting members of the board of  
1313 directors constitutes a quorum. Except as otherwise provided in  
1314 this section, the board may take official action by a majority  
1315 vote of the members present at any meeting at which a quorum is  
1316 present. Members may not vote by proxy.

1317 3. A member of the board may participate in a meeting of  
1318 the board by telephone or videoconference through which each  
1319 member may hear every other member.

1320 (c) The corporation may include on the same meeting agenda  
1321 matters related to The Scripps Research Institute and the  
1322 Innovation Incentive Program.

1323 (6) POWERS AND DUTIES.--

1324 (a) The corporation is organized to receive, hold, invest,  
1325 administer, and disburse funds appropriated by the Legislature in  
1326 support of The Scripps Research Institute ~~this section~~ and to  
1327 disburse any income generated from the investment of these funds

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1328 consistent with the purpose and provisions of this section. In  
1329 addition to the powers and duties prescribed in chapter 617 and  
1330 the articles and bylaws adopted under that chapter, the  
1331 corporation:

1332 1.(a) May make and enter into contracts and assume any  
1333 other functions that are necessary to carry out the provisions of  
1334 this section related to The Scripps Research Institute.

1335 2.(b) May enter into leases and contracts for the purchase  
1336 of real property and hold notes, mortgages, guarantees, or  
1337 security agreements to secure the performance of obligations of  
1338 the grantee under the contract.

1339 3.(e) May perform all acts and things necessary or  
1340 convenient to carry out the powers expressly granted in this  
1341 section and in the a contract entered into between the  
1342 corporation and the grantee.

1343 4.(d) May make expenditures, from funds provided by this  
1344 state, including any necessary administrative expenditures  
1345 consistent with its powers.

1346 ~~(c) May indemnify, and purchase and maintain insurance on~~  
1347 ~~behalf of, directors, officers, and employees of the corporation~~  
1348 ~~against any personal liability or accountability.~~

1349 5.(f) Shall disburse funds pursuant to the provisions of  
1350 this section and a contract entered into between the corporation  
1351 and the grantee.

1352 6.(g) Shall receive and review reports and financial  
1353 documentation provided by the grantee to ensure compliance with  
1354 the provisions of this section and provisions of the contract.

1355 7.(h) Shall prepare an annual report as prescribed in  
1356 subsection (14).

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1357 (b) The corporation also is directed to:

1358 1. Review the business plans, quarterly reports, annual  
1359 reports, and audit reports of entities that have received a grant  
1360 from the Innovation Incentive Program pursuant to s. 288.1089.

1361 2. Invite all Innovation Incentive Program grant recipients  
1362 to appear at its meetings to present progress reports on their  
1363 activities.

1364 3. Prepare an annual report as prescribed in subsection  
1365 (15).

1366 (c) The corporation may indemnify, purchase, and maintain  
1367 insurance on behalf of directors, officers, and employees of the  
1368 corporation against any personal liability or accountability.

1369 (d) The corporation may otherwise perform all acts and  
1370 things necessary or convenient to carry out the powers expressly  
1371 granted in this section.

1372 (7) INVESTMENT OF FUNDS.--The corporation must enter into  
1373 an agreement with the State Board of Administration under which  
1374 funds received by the corporation from the Office of Tourism,  
1375 Trade, and Economic Development which are not disbursed to the  
1376 grantee shall be invested by the State Board of Administration on  
1377 behalf of the corporation. Funds shall be invested in suitable  
1378 instruments authorized under s. 215.47 and specified in  
1379 investment guidelines established and agreed to by the State  
1380 Board of Administration and the corporation.

1381 (8) CONTRACT.--

1382 (a) The 20-year contract negotiated and executed by the  
1383 corporation with the grantee ~~By January 30, 2004, the corporation~~  
1384 ~~shall negotiate and execute a contract with the grantee for a~~  
1385 ~~term of 20 years. Such contract shall govern the disbursement and~~



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1386 ~~use of funds under this section. The board may, by a simple~~  
1387 ~~majority vote, authorize one 45-day extension of this deadline.~~  
1388 ~~The corporation may not execute the contract unless the contract~~  
1389 ~~is approved by the affirmative vote of at least seven of the nine~~  
1390 ~~members of the board of directors. At least 14 days before~~  
1391 ~~execution of the contract, The Scripps Research Institute must~~  
1392 ~~submit to the board, the Governor, the President of the Senate,~~  
1393 ~~and the Speaker of the House of Representatives an organizational~~  
1394 ~~plan, in a form and manner prescribed by the board, for the~~  
1395 ~~establishment of a state-of-the-art biomedical research~~  
1396 ~~institution and campus in this state, and the board must submit a~~  
1397 ~~copy of the proposed contract to the Governor, the President of~~  
1398 ~~the Senate, and the Speaker of the House of Representatives.~~

1399 ~~(b) The contract, at a minimum, must contain provisions:~~

1400 1. Specifying the procedures and schedules that govern the  
1401 disbursement of funds under this section and specifying the  
1402 conditions or deliverables that the grantee must satisfy before  
1403 the release of each disbursement.

1404 2. Requiring the grantee to submit to the corporation a  
1405 business plan in a form and manner prescribed by the corporation.

1406 3. Prohibiting The Scripps Research Institute or the  
1407 grantee from establishing other biomedical science or research  
1408 facilities in any state other than this state or California for a  
1409 period of 12 years from the commencement of the contract. Nothing  
1410 in this subparagraph shall prohibit the grantee from establishing  
1411 or engaging in normal collaborative activities with other  
1412 organizations.

1413 4. Governing the ownership of or security interests in real  
1414 property and personal property, including, but not limited to,

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1415 research equipment, obtained through the financial support of  
1416 state or local government, including a provision that in the  
1417 event of a breach of the contract or in the event the grantee  
1418 ceases operations in this state, such property purchased with  
1419 state funds shall revert to the state and such property purchased  
1420 with local funds shall revert to the local governing authority.

1421 5. Requiring the grantee to be an equal opportunity  
1422 employer.

1423 6. Requiring the grantee to maintain a policy of awarding  
1424 preference in employment to residents of this state, as defined  
1425 by law, except for professional scientific staff positions  
1426 requiring a doctoral degree, postdoctoral training positions, and  
1427 graduate student positions.

1428 7. Requiring the grantee to maintain a policy of making  
1429 purchases from vendors in this state, to the extent it is cost-  
1430 effective and scientifically sound.

1431 8. Requiring the grantee to use the Internet-based job-  
1432 listing system of the Agency for Workforce Innovation in  
1433 advertising employment opportunities.

1434 9. Requiring the grantee to establish accredited science  
1435 degree programs.

1436 10. Requiring the grantee to establish internship programs  
1437 to create learning opportunities for educators and secondary,  
1438 postsecondary, graduate, and doctoral students.

1439 11. Requiring the grantee to submit data to the corporation  
1440 on the activities and performance during each fiscal year and to  
1441 provide to the corporation an annual accounting of the  
1442 expenditure of funds disbursed under this section.

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1443           12. Establishing that the corporation shall review the  
1444 activities of the grantee to assess the grantee's financial and  
1445 operational compliance with the provisions of the contract and  
1446 with relevant provisions of law.

1447           13. Authorizing the grantee, when feasible, to use  
1448 information submitted by it to the Federal Government or to other  
1449 organizations awarding research grants to the grantee to help  
1450 meet reporting requirements imposed under this section or the  
1451 contract, if the information satisfies the reporting standards of  
1452 this section and the contract.

1453           14. Unless amended pursuant to the force majeure provisions  
1454 in subsection (18), requiring the grantee during the first 7  
1455 years of the contract to create 545 positions and to acquire  
1456 associated research equipment for the grantee's facility in this  
1457 state, and pay for related maintenance of the equipment, in a  
1458 total amount of not less than \$45 million.

1459           15. Requiring the grantee to progress in the creation of  
1460 the total number of jobs prescribed in subparagraph 14. on the  
1461 following schedule: At least 38 positions in the 1st year, 168  
1462 positions in the 2nd year, 280 positions in the 3rd year, 367  
1463 positions in the 4th year, 436 positions in the 5th year, 500  
1464 positions in the 6th year, and 545 positions in the 7th year. The  
1465 corporation's board of directors may allow the grantee to deviate  
1466 downward from such employee levels by 25 percent in any year, to  
1467 allow the grantee flexibility in achieving the objectives set  
1468 forth in the business plan provided to the corporation; however,  
1469 the grantee must have no fewer than 545 positions by the end of  
1470 the 7th year.

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1471 16. Requiring the grantee to allow the corporation to  
1472 retain an independent certified public accountant licensed in  
1473 this state pursuant to chapter 473 to inspect the records of the  
1474 grantee in order to audit the expenditure of funds disbursed to  
1475 the grantee. The independent certified public accountant shall  
1476 not disclose any confidential or proprietary scientific  
1477 information of the grantee.

1478 17. Requiring the grantee to purchase liability insurance  
1479 and governing the coverage level of such insurance.

1480 (b) ~~(e)~~ An amendment to the contract is not effective unless  
1481 it is approved by the affirmative vote of at least seven of the  
1482 nine members of the board of directors.

1483 (9) PERFORMANCE EXPECTATIONS FOR THE SCRIPPS RESEARCH  
1484 INSTITUTE.--In addition to the provisions prescribed in  
1485 subsection (8), the contract between the corporation and the  
1486 grantee shall include a provision that the grantee, in  
1487 cooperation with the Office of Tourism, Trade, and Economic  
1488 Development, shall report to the corporation on an annual basis  
1489 certain performance expectations that reflect the aspirations of  
1490 the Governor and the Legislature for the benefits accruing to  
1491 this state as a result of the funds appropriated pursuant to this  
1492 section. These shall include, but are not limited to, performance  
1493 expectations addressing:

1494 (a) The number and dollar value of research grants obtained  
1495 from the Federal Government or sources other than this state.

1496 (b) The percentage of total research dollars received by  
1497 The Scripps Research Institute from sources other than this state  
1498 which is used to conduct research activities by the grantee in  
1499 this state.

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1500 (c) The number or value of patents obtained by the grantee.

1501 (d) The number or value of licensing agreements executed by  
1502 the grantee.

1503 (e) The extent to which research conducted by the grantee  
1504 results in commercial applications.

1505 (f) The number of collaborative agreements reached and  
1506 maintained with colleges and universities in this state and with  
1507 research institutions in this state, including agreements that  
1508 foster participation in research opportunities by public and  
1509 private colleges and universities and research institutions in  
1510 this state with significant minority populations, including  
1511 historically black colleges and universities.

1512 (g) The number of collaborative partnerships established  
1513 and maintained with businesses in this state.

1514 (h) The total amount of funding received by the grantee  
1515 from sources other than the State of Florida.

1516 (i) The number or value of spin-off businesses created in  
1517 this state as a result of commercialization of the research of  
1518 the grantee.

1519 (j) The number or value of businesses recruited to this  
1520 state by the grantee.

1521 (k) The establishment and implementation of policies to  
1522 promote supplier diversity using the guidelines developed by the  
1523 Office of Supplier Diversity under s. 287.09451 and to comply  
1524 with the ordinances, including any small business ordinances,  
1525 enacted by the county and which are applicable to the biomedical  
1526 research institution and campus located in this state.

1527 (l) The designation by the grantee of a representative to  
1528 coordinate with the Office of Supplier Diversity.

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1529 (m) The establishment and implementation of a program to  
1530 conduct workforce recruitment activities at public and private  
1531 colleges and universities and community colleges in this state  
1532 which request the participation of the grantee.  
1533

1534 ~~The contract shall require the grantee to provide information to~~  
1535 ~~the corporation on the progress in meeting these performance~~  
1536 ~~expectations on an annual basis.~~ It is the intent of the  
1537 Legislature that, in fulfilling its obligation to work with  
1538 Florida's public and private colleges and universities, The  
1539 Scripps Research Institute's Florida facility work with such  
1540 colleges and universities regardless of size.

1541 (10) DISBURSEMENT CONDITIONS.--In addition to the  
1542 provisions prescribed in subsection (8), the contract between the  
1543 corporation and the grantee shall include disbursement conditions  
1544 that must be satisfied by the grantee as a condition for the  
1545 continued disbursement of funds under this section. These  
1546 disbursement conditions shall be negotiated between the  
1547 corporation and the grantee and shall not be designed to impede  
1548 the ability of the grantee to attain full operational status. The  
1549 disbursement conditions may be appropriately varied as to  
1550 timeframes, numbers, values, and percentages. The disbursement  
1551 conditions shall include, but are not limited to, the following  
1552 areas:

1553 (a) Demonstrate creation of jobs and report on the average  
1554 salaries paid.

1555 (b) Beginning 18 months after the grantee's occupancy of  
1556 its permanent facility, the grantee shall annually obtain  
1557 \$100,000 of nonstate funding for each full-time equivalent

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1558 tenured-track faculty member employed at the grantee's Florida  
1559 facility.

1560 (c) No later than 3 years after the grantee's occupancy of  
1561 its permanent facility, the grantee shall apply to the relevant  
1562 accrediting agency for accreditation of its Florida graduate  
1563 program.

1564 (d) The grantee shall purchase equipment for its Florida  
1565 facility as scheduled in its contract with the corporation.

1566 (e) No later than 18 months after occupying its permanent  
1567 facility, the grantee shall establish a program for qualified  
1568 graduate students from Florida universities permitting them  
1569 access to the facility for doctoral, thesis-related research.

1570 (f) No later than 18 months after occupancy of the  
1571 permanent facility, the grantee shall establish a summer  
1572 internship for high school students.

1573 (g) No later than 3 years after occupancy of the permanent  
1574 facility, the grantee shall establish a research program for  
1575 middle and high school teachers.

1576 (h) No later than 18 months after occupancy of the  
1577 permanent facility, the grantee shall establish a program for  
1578 adjunct professors.

1579 (i) No later than 6 months after commissioning its high  
1580 throughput technology, the grantee shall establish a program to  
1581 allow open access for qualified science projects.

1582 (j) ~~Beginning June 2004,~~ The grantee shall collaborate  
1583 ~~commence collaborative efforts~~ with Florida public and private  
1584 colleges and universities, and shall continue cooperative  
1585 collaboration through the term of the agreement.

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1586 (k) Beginning 18 months after the grantee occupies the  
1587 permanent facility, the grantee shall establish an annual seminar  
1588 series featuring a review of the science work done by the grantee  
1589 and its collaborators at the Florida facility.

1590 (l) ~~Beginning June 2004,~~ The grantee shall collaborate  
1591 ~~commence collaboration efforts~~ with the Office of Tourism, Trade,  
1592 and Economic Development by complying with reasonable requests  
1593 for cooperation in economic development efforts in the  
1594 biomed/biotech industry. ~~No later than July 2004,~~ The grantee  
1595 shall also designate a person who shall be charged with assisting  
1596 in these collaborative efforts.

1597 (11) DISBURSEMENTS TO THE SCRIPPS RESEARCH INSTUTUTE.--

1598 (a) The corporation shall disburse funds to the grantee  
1599 over a period of 7 calendar years starting in the calendar year  
1600 beginning January 1, 2004, under the terms and conditions of the  
1601 contract. The corporation shall complete disbursement of the  
1602 total amount of funds payable to the grantee under the contract  
1603 no later than December 31, 2010, unless the grantee fails to  
1604 satisfy the terms and conditions of the contract. Any funds of  
1605 the corporation that are not disbursed by December 31, 2010,  
1606 shall be paid to the Biomedical Research Trust Fund of the  
1607 Department of Health.

1608 (b) The contract shall provide for a reduction or  
1609 elimination of funding in any year if:

- 1610 1. The grantee is no longer operating in this state;
- 1611 2. The grantee has failed to commit in writing to maintain  
1612 operations in the state for the succeeding year; or
- 1613 3. The grantee commits a material default or breach of the  
1614 contract, as defined and governed by the contract. Determination



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1615 of material default or breach of contract shall require the  
1616 affirmative vote of at least seven of the nine members of the  
1617 board.

1618 (c) Each disbursement by the corporation to the grantee  
1619 under this section is conditioned upon the affirmative approval  
1620 of at least five of the nine members of the board of directors  
1621 and upon demonstration by the grantee that it has met the  
1622 particular contractual deliverables that are the basis for that  
1623 disbursement.

1624 (12) USE OF FUNDS.--

1625 (a) Funds appropriated in furtherance of this section may  
1626 not be disbursed or expended for activities that do not  
1627 principally benefit or that are not directly related to the  
1628 establishment or operation of the grantee in this state, except  
1629 upon approval of the affirmative vote of at least seven of the  
1630 nine members of the board of directors.

1631 (b) ~~No~~ Funds appropriated in furtherance of this section  
1632 may not be used for the purpose of lobbying any branch or agency  
1633 of state government or any political subdivision of the state.

1634 (c) The grantee must provide for separate accounts for any  
1635 funds appropriated in furtherance of this section and separate  
1636 books and records relating to The Scripps Research Institute's  
1637 Florida operation.

1638 (13) REINVESTMENT.--

1639 (a) The grantee shall reinvest 15 percent of the net  
1640 royalty revenues, including the revenues from the sale of stock,  
1641 received by The Scripps Research Institute from the licensing or  
1642 transfer of inventions, methods, processes, and other patentable  
1643 discoveries conceived or reduced to practice using the grantee's

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1644 Florida facilities or Florida employees, in whole or in part, and  
1645 to which the grantee becomes entitled during the 20 years  
1646 following the effective date of the contract between the  
1647 corporation and the grantee. For purposes of this paragraph, the  
1648 term "net royalty revenues" means all royalty revenues less the  
1649 cost of obtaining, maintaining, and enforcing related patent and  
1650 intellectual property rights, both foreign and domestic.

1651 Reinvestment payments under this paragraph shall commence no  
1652 later than 6 months after the grantee has received the final  
1653 disbursement under the contract and shall continue until the  
1654 maximum reinvestment has been paid.

1655 (b) The grantee shall reinvest 15 percent of the gross  
1656 revenues it receives from naming opportunities associated with  
1657 any facility it builds in this state. For purposes of this  
1658 section, the term "naming opportunities" includes charitable  
1659 donations from any person or entity in consideration for the  
1660 right to have all or a portion of the facility named for or in  
1661 the memory of any person, living or dead, or for any entity. The  
1662 obligation to make reinvestment payments under this section shall  
1663 commence upon the execution of the contract between the  
1664 corporation and the grantee.

1665  
1666 All reinvestment payments made pursuant to this section shall be  
1667 remitted to the state for deposit in the Biomedical Research  
1668 Trust Fund or, if such fund has ceased to exist, in another trust  
1669 fund that supports biomedical research, as determined by law. The  
1670 maximum reinvestment required of the grantee pursuant to this  
1671 subsection shall not exceed \$200 million. At such time as the  
1672 reinvestment payments equal \$155 million or the contract expires,

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1673 whichever is earlier, the board of the corporation shall  
1674 determine whether the performance expectations and disbursement  
1675 conditions have been met. If the board determines that the  
1676 performance expectations and disbursement conditions have been  
1677 met, the amount of \$200 million shall be reduced to \$155 million.  
1678 The grantee shall annually submit a schedule of the shares of  
1679 stock held by it as payment of the royalty referred to in  
1680 paragraph (a) and report on any trades or activity concerning  
1681 such stock. The grantee's obligations under this subsection shall  
1682 survive the expiration or termination of the contract between the  
1683 corporation and the grantee.

1684 (14) ANNUAL REPORT ON THE SCRIPPS RESEARCH INSTITUTE.--By  
1685 December 1 of each year, the corporation shall prepare a report  
1686 of the activities and outcomes under this section for the  
1687 preceding fiscal year. The report, at a minimum, must include:

1688 (a) A description of the activities of the corporation in  
1689 managing and enforcing the contract with the grantee.

1690 (b) An accounting of the amount of funds disbursed during  
1691 the preceding fiscal year to the grantee.

1692 (c) An accounting of expenditures by the grantee during the  
1693 fiscal year of funds disbursed under this section.

1694 (d) Information on the number and salary level of jobs  
1695 created by the grantee, including the number and salary level of  
1696 jobs created for residents of this state.

1697 (e) Information on the amount and nature of economic  
1698 activity generated through the activities of the grantee.

1699 (f) An assessment of factors affecting the progress toward  
1700 achieving the projected biotech industry cluster associated with

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1701 the grantee's operations, as projected by economists on behalf of  
1702 the Executive Office of the Governor.

1703 (g) A compliance and financial audit of the accounts and  
1704 records of the corporation at the end of the preceding fiscal  
1705 year conducted by an independent certified public accountant in  
1706 accordance with rules of the Auditor General.

1707 (h) A description of the status of the performance  
1708 expectations under subsection (9) and the disbursement conditions  
1709 under subsection (10).

1710

1711 The corporation shall submit the report to the Governor, the  
1712 President of the Senate, and the Speaker of the House of  
1713 Representatives.

1714 (15) REPORT ON INNOVATION INCENTIVE PROGRAM

1715 ACTIVITIES.--The corporation shall prepare an annual report of  
1716 the activities and outcomes related to its oversight role for the  
1717 Innovation Incentive Program for the preceding fiscal year. The  
1718 report, at a minimum, must include:

1719 (a) An assessment of the progress made by each grant  
1720 recipient of the Innovation Incentive Program in achieving its  
1721 agreement objectives, benchmarks, and performance expectations,  
1722 and a discussion of all relevant factors related to its progress  
1723 or lack thereof.

1724 (b) A review of the previous year's compliance and  
1725 financial audits of the accounts and records of each grant  
1726 recipient conducted by an independent certified public accountant  
1727 in accordance with rules of the Auditor General.

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1728 (c) Any recommended legislative changes or administrative  
1729 improvements that may be undertaken by the Executive Office of  
1730 the Governor.

1731  
1732 The corporation shall submit the report to the Governor, the  
1733 President of the Senate, and the Speaker of the House of  
1734 Representatives by January 10 of each year, beginning in 2009.

1735 (16)~~(15)~~ PROGRAM EVALUATION.--

1736 (a) Before January 1, 2007, the Office of Program Policy  
1737 Analysis and Government Accountability shall conduct a  
1738 performance audit of the Office of Tourism, Trade, and Economic  
1739 Development and the corporation relating to the provisions of  
1740 this section. The audit shall assess the implementation and  
1741 outcomes of activities under this section. At a minimum, the  
1742 audit shall address:

1743 1. Performance of the Office of Tourism, Trade, and  
1744 Economic Development in disbursing funds appropriated under this  
1745 section.

1746 2. Performance of the corporation in managing and enforcing  
1747 the contract with the grantee.

1748 3. Compliance by the corporation with the provisions of  
1749 this section and the provisions of the contract.

1750 4. Economic activity generated through funds disbursed  
1751 under the contract.

1752 (b) Before January 1, 2010, the Office of Program Policy  
1753 Analysis and Government Accountability shall update the report  
1754 required under paragraph (a) ~~this subsection~~. In addition to  
1755 addressing the items prescribed in paragraph (a), the updated  
1756 report shall include a recommendation on whether the Legislature

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1757 should retain the statutory authority for the corporation taking  
1758 into account the corporation's oversight role for the Innovation  
1759 Incentive Program.

1760  
1761 A report of each audit's findings and recommendations shall be  
1762 submitted to the Governor, the President of the Senate, and the  
1763 Speaker of the House of Representatives. In completing the  
1764 performance audits required under this subsection, the Office of  
1765 Program Policy Analysis and Government Accountability shall  
1766 maximize the use of reports submitted by the grantee to the  
1767 Federal Government or to other organizations awarding research  
1768 grants to the grantee.

1769 (17)~~(16)~~ LIABILITY.--

1770 (a) The appropriation or disbursement of funds under this  
1771 section does not constitute a debt, liability, or obligation of  
1772 the State of Florida, any political subdivision thereof, or the  
1773 corporation or a pledge of the faith and credit of the state or  
1774 of any such political subdivision.

1775 (b) The appropriation or disbursement of funds under this  
1776 section does not subject the State of Florida, any political  
1777 subdivision thereof, or the corporation to liability related to  
1778 the research activities and research products of the grantee.

1779 (18)~~(17)~~ FORCE MAJEURE.--Notwithstanding any other  
1780 provisions contained in this act, if the grantee is prevented  
1781 from timely achieving any deadlines set forth in this act due to  
1782 its inability to occupy its permanent Florida facility within 2  
1783 years after entering into the memorandum of agreement pursuant to  
1784 s. 403.973, as a result of permitting delays and related  
1785 administrative or judicial proceedings, acts of God, labor

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1786 disturbances, or other similar events beyond the control of the  
1787 grantee, the deadline shall be extended by the number of days by  
1788 which the grantee was delayed in commencing its occupancy of its  
1789 permanent Florida facility. In no event shall the extension be  
1790 for more than 4 years. Upon the occurrence of a force majeure  
1791 event, the Scripps Florida Funding Corporation shall continue to  
1792 fund the grantee at a level that permits it to sustain its  
1793 current level of operations until the force majeure event ceases  
1794 and the grantee is able to resume the contract schedule governing  
1795 disbursement.

1796 Section 13. Paragraph (a) of subsection (4) of section  
1797 288.9624, Florida Statutes, is amended to read:

1798 288.9624 Florida Opportunity Fund; creation; duties.--

1799 (4) For the purpose of mobilizing investment in a broad  
1800 variety of Florida-based, new technology companies and generating  
1801 a return sufficient to continue reinvestment, the fund shall:

1802 (a) 1. Except as otherwise provided in this section, invest  
1803 directly only in seed and early stage venture capital funds that  
1804 have experienced managers or management teams with demonstrated  
1805 experience, expertise, and a successful history in the investment  
1806 of venture capital funds. Investments must be focused, ~~focusing~~  
1807 on opportunities in this state. The fund may not make direct  
1808 investments in individual businesses. While not precluded from  
1809 investing in venture capital funds that have investments outside  
1810 this state, the fund must require a venture capital fund to show  
1811 a record of successful investment in this state, to be based in  
1812 this state, or to have an office in this state staffed with a  
1813 full-time, professional venture investment executive in order to  
1814 be eligible for investment.

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1815        2. In entering into partnerships with state universities  
1816 that are designated as research universities having very high  
1817 research activity by the 2005 Carnegie Classifications, invest  
1818 directly in state-based seed or early stage venture capital  
1819 funds. These investments shall be used to support companies that  
1820 are developing the commercialization of a particular product or  
1821 service, and that are operating from laboratory or office space  
1822 on a university campus which has been constructed by a private  
1823 developer who is providing a minimum match of \$3 for every \$1 of  
1824 state funds for construction and investment. The fund may not  
1825 make direct investments in individual businesses.

1826        Section 14. Subsection (5) of section 220.191, Florida  
1827 Statutes, is amended to read:

1828        220.191 Capital investment tax credit.--

1829        (5) Applications shall be reviewed and certified pursuant  
1830 to s. 288.061. The office, upon a recommendation by Enterprise  
1831 Florida, Inc., shall first certify a business as eligible to  
1832 receive tax credits pursuant to this section prior to the  
1833 commencement of operations of a qualifying project, and such  
1834 certification shall be transmitted to the Department of Revenue.  
1835 Upon receipt of the certification, the Department of Revenue  
1836 shall enter into a written agreement with the qualifying business  
1837 specifying, at a minimum, the method by which income generated by  
1838 or arising out of the qualifying project will be determined.

1839        Section 15. Subsection (2) of section 288.065, Florida  
1840 Statutes, is amended to read:

1841        288.065 Rural Community Development Revolving Loan Fund.--

1842        (2) The program shall provide for long-term loans, loan  
1843 guarantees, and loan loss reserves to units of local governments,



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1844 or economic development organizations substantially underwritten  
1845 by a unit of local government, within counties with populations  
1846 of 75,000 or less, or any county that has a population of 120,000  
1847 ~~100,000~~ or less and is contiguous to a county with a population  
1848 of 75,000 or less, as determined by the most recent official  
1849 estimate pursuant to s. 186.901, residing in incorporated and  
1850 unincorporated areas of the county, or to units of local  
1851 government, or economic development organizations substantially  
1852 underwritten by a unit of local government, within a rural area  
1853 of critical economic concern. Requests for loans shall be made by  
1854 application to the Office of Tourism, Trade, and Economic  
1855 Development. Loans shall be made pursuant to agreements  
1856 specifying the terms and conditions agreed to between the  
1857 applicant and the Office of Tourism, Trade, and Economic  
1858 Development. The loans shall be the legal obligations of the  
1859 applicant. All repayments of principal and interest shall be  
1860 returned to the loan fund and made available for loans to other  
1861 applicants. However, in a rural area of critical economic concern  
1862 designated by the Governor, and upon approval by the Office of  
1863 Tourism, Trade, and Economic Development, repayments of principal  
1864 and interest may be retained by the applicant if such repayments  
1865 are dedicated and matched to fund regionally based economic  
1866 development organizations representing the rural area of critical  
1867 economic concern.

1868 Section 16. Paragraphs (b) and (e) of subsection (2) and  
1869 subsection (3) of section 288.0655, Florida Statutes, are amended  
1870 to read:

1871 288.0655 Rural Infrastructure Fund.--

1872 (2)

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1873 (b) To facilitate access of rural communities and rural  
1874 areas of critical economic concern as defined by the Rural  
1875 Economic Development Initiative to infrastructure funding  
1876 programs of the Federal Government, such as those offered by the  
1877 United States Department of Agriculture and the United States  
1878 Department of Commerce, and state programs, including those  
1879 offered by Rural Economic Development Initiative agencies, and to  
1880 facilitate local government or private infrastructure funding  
1881 efforts, the office may award grants for up to 30 percent of the  
1882 total infrastructure project cost. If an application for funding  
1883 is for a catalyst site, as defined in s. 288.0656, the office may  
1884 award grants for up to 40 percent of the total infrastructure  
1885 project cost. Eligible projects must be related to specific job-  
1886 creation or job-retention opportunities. Eligible projects may  
1887 also include improving any inadequate infrastructure that has  
1888 resulted in regulatory action that prohibits economic or  
1889 community growth or reducing the costs to community users of  
1890 proposed infrastructure improvements that exceed such costs in  
1891 comparable communities. Eligible uses of funds shall include  
1892 improvements to public infrastructure for industrial or  
1893 commercial sites and upgrades to or development of public tourism  
1894 infrastructure. Authorized infrastructure may include the  
1895 following public or public-private partnership facilities: storm  
1896 water systems; telecommunications facilities; broadband; roads or  
1897 other remedies to transportation impediments; nature-based  
1898 tourism facilities; or other physical requirements necessary to  
1899 facilitate tourism, trade, and economic development activities in  
1900 the community. Authorized infrastructure may also include  
1901 publicly or privately owned self-powered nature-based tourism

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1902 facilities; telecommunications; broadband; and additions to the  
1903 distribution facilities of the existing natural gas utility as  
1904 defined in s. 366.04(3)(c), the existing electric utility as  
1905 defined in s. 366.02, or the existing water or wastewater utility  
1906 as defined in s. 367.021(12), or any other existing water or  
1907 wastewater facility, which owns a gas or electric distribution  
1908 system or a water or wastewater system in this state where:

1909 1. A contribution-in-aid of construction is required to  
1910 serve public or public-private partnership facilities under the  
1911 tariffs of any natural gas, electric, water, or wastewater  
1912 utility as defined herein; and

1913 2. Such utilities as defined herein are willing and able to  
1914 provide such service.

1915 (e) To enable local governments to access the resources  
1916 available pursuant to s. 403.973(19), the office may award grants  
1917 for surveys, feasibility studies, and other activities related to  
1918 the identification and preclearance review of land which is  
1919 suitable for preclearance review. Authorized grants under this  
1920 paragraph shall not exceed \$75,000 each, except in the case of a  
1921 project in a rural area of critical economic concern, in which  
1922 case the grant shall not exceed \$300,000. Any funds awarded under  
1923 this paragraph must be matched at a level of 50 percent with  
1924 local funds, except that any funds awarded for a project in a  
1925 rural area of critical economic concern must be matched at a  
1926 level of 33 percent with local funds. If an application for  
1927 funding is for a catalyst site, as defined in s. 288.0656, the  
1928 requirement for local match may be waived. In evaluating  
1929 applications under this paragraph, the office shall consider the  
1930 extent to which the application seeks to minimize administrative

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1931 and consultant expenses.

1932 (3) The office, in consultation with Enterprise Florida,  
1933 Inc., VISIT Florida, the Department of Environmental Protection,  
1934 and the Florida Fish and Wildlife Conservation Commission, as  
1935 appropriate, shall review and certify applications pursuant to s.  
1936 288.061. The review shall include an evaluation of ~~and evaluate~~  
1937 the economic benefit of the projects and their long-term  
1938 viability. The office shall have final approval for any grant  
1939 under this section ~~and must make a grant decision within 30 days~~  
1940 ~~of receiving a completed application.~~

1941 Section 17. Section 288.0656, Florida Statutes, is amended  
1942 to read:

1943 288.0656 Rural Economic Development Initiative.--

1944 (1)(a) Recognizing that rural communities and regions  
1945 continue to face extraordinary challenges in their efforts to  
1946 achieve significant improvements to their economies, specifically  
1947 in terms of personal income, job creation, average wages, and  
1948 strong tax bases, it is the intent of the Legislature to  
1949 encourage and facilitate the location and expansion in such rural  
1950 communities of major economic development projects of significant  
1951 scale.

1952 (b) The Rural Economic Development Initiative, known as  
1953 "REDI," is created within the Office of Tourism, Trade, and  
1954 Economic Development, and the participation of state and regional  
1955 agencies in this initiative is authorized.

1956 (2) As used in this section, the term:

1957 (a) "Catalyst project" means a business locating or  
1958 expanding in a rural area of critical economic concern that will  
1959 serve as an economic growth opportunity of regional significance

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1960 for the growth of a regional target industry cluster. The project  
1961 will provide capital investment of significant scale which will  
1962 affect the entire region and the development of high-wage and  
1963 high-skill jobs.

1964 (b) "Catalyst site" means a parcel or parcel of lands  
1965 within a rural area of critical economic concern that has been  
1966 prioritized as a geographic site for economic development through  
1967 partnerships with state, regional, and local organizations. The  
1968 site must be reviewed by REDI, and approved by the Office of  
1969 Tourism, Trade, and Economic Development for purposes of locating  
1970 a catalyst project.

1971 (c) ~~(a)~~ "Economic distress" means conditions affecting the  
1972 fiscal and economic viability of a rural community, including  
1973 such factors as low per capita income, low per capita taxable  
1974 values, high unemployment, high underemployment, low weekly  
1975 earned wages compared to the state average, low housing values  
1976 compared to the state average, high percentages of the population  
1977 receiving public assistance, high poverty levels compared to the  
1978 state average, and a lack of year-round stable employment  
1979 opportunities.

1980 (d) "Rural area of critical economic concern" means a rural  
1981 community, or a region composed of rural communities, designated  
1982 by the Governor, that has been adversely affected by an  
1983 extraordinary economic event, severe or chronic distress, or a  
1984 natural disaster or that presents a unique economic development  
1985 opportunity of regional impact.

1986 (e) ~~(b)~~ "Rural community" means:  
1987 1. A county with a population of 75,000 or less.  
1988 2. A county with a population of 120,000 ~~100,000~~ or less

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1989 that is contiguous to a county with a population of 75,000 or  
1990 less.

1991 3. A municipality within a county described in subparagraph  
1992 1. or subparagraph 2.

1993 4. An unincorporated federal enterprise community or an  
1994 incorporated rural city with a population of 25,000 or less and  
1995 an employment base focused on traditional agricultural or  
1996 resource-based industries, located in a county not defined as  
1997 rural, which has at least three or more of the economic distress  
1998 factors identified in paragraph (a) and verified by the Office of  
1999 Tourism, Trade, and Economic Development.

2000  
2001 For purposes of this paragraph, population shall be determined in  
2002 accordance with the most recent official estimate pursuant to s.  
2003 186.901.

2004 (3) REDI shall be responsible for coordinating and focusing  
2005 the efforts and resources of state and regional agencies on the  
2006 problems which affect the fiscal, economic, and community  
2007 viability of Florida's economically distressed rural communities,  
2008 working with local governments, community-based organizations,  
2009 and private organizations that have an interest in the growth and  
2010 development of these communities to find ways to balance  
2011 environmental and growth management issues with local needs.

2012 (4) REDI shall review and evaluate the impact of statutes  
2013 and rules on rural communities and shall work to minimize any  
2014 adverse impact and undertake outreach and capacity building  
2015 efforts.

2016 (5) REDI shall facilitate better access to state resources  
2017 by promoting direct access and referrals to appropriate state and

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2018 regional agencies and statewide organizations. REDI may undertake  
2019 outreach, capacity-building, and other advocacy efforts to  
2020 improve conditions in rural communities. These activities may  
2021 include sponsorship of conferences and achievement awards.

2022 (6) (a) By August 1 of each year, the head of each of the  
2023 following agencies and organizations shall designate a high-level  
2024 staff person from within the agency or organization to serve as  
2025 the REDI representative for the agency or organization:

- 2026 1. The Department of Community Affairs.
- 2027 2. The Department of Transportation.
- 2028 3. The Department of Environmental Protection.
- 2029 4. The Department of Agriculture and Consumer Services.
- 2030 5. The Department of State.
- 2031 6. The Department of Health.
- 2032 7. The Department of Children and Family Services.
- 2033 8. The Department of Corrections.
- 2034 9. The Agency for Workforce Innovation.
- 2035 10. The Department of Education.
- 2036 11. The Department of Juvenile Justice.
- 2037 12. The Fish and Wildlife Conservation Commission.
- 2038 13. Each water management district.
- 2039 14. Enterprise Florida, Inc.
- 2040 15. Workforce Florida, Inc.
- 2041 16. The Florida Commission on Tourism or VISIT Florida.
- 2042 17. The Florida Regional Planning Council Association.
- 2043 18. The Agency for Health Care Administration ~~Florida State~~  
2044 ~~Rural Development Council~~.
- 2045 19. The Institute of Food and Agricultural Sciences (IFAS).
- 2046

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2047 An alternate for each designee shall also be chosen, and the  
2048 names of the designees and alternates shall be sent to the  
2049 director of the Office of Tourism, Trade, and Economic  
2050 Development.

2051 (b) Each REDI representative must have comprehensive  
2052 knowledge of his or her agency's functions, both regulatory and  
2053 service in nature, and of the state's economic goals, policies,  
2054 and programs. This person shall be the primary point of contact  
2055 for his or her agency with REDI on issues and projects relating  
2056 to economically distressed rural communities and with regard to  
2057 expediting project review, shall ensure a prompt effective  
2058 response to problems arising with regard to rural issues, and  
2059 shall work closely with the other REDI representatives in the  
2060 identification of opportunities for preferential awards of  
2061 program funds and allowances and waiver of program requirements  
2062 when necessary to encourage and facilitate long-term private  
2063 capital investment and job creation.

2064 (c) The REDI representatives shall work with REDI in the  
2065 review and evaluation of statutes and rules for adverse impact on  
2066 rural communities and the development of alternative proposals to  
2067 mitigate that impact.

2068 (d) Each REDI representative shall be responsible for  
2069 ensuring that each district office or facility of his or her  
2070 agency is informed about the Rural Economic Development  
2071 Initiative and for providing assistance throughout the agency in  
2072 the implementation of REDI activities.

2073 (7) (a) REDI may recommend to the Governor up to three rural  
2074 areas of critical economic concern. ~~A rural area of critical~~  
2075 ~~economic concern must be a rural community, or a region composed~~



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2076 ~~of such, that has been adversely affected by an extraordinary~~  
2077 ~~economic event or a natural disaster or that presents a unique~~  
2078 ~~economic development opportunity of regional impact that will~~  
2079 ~~create more than 1,000 jobs over a 5-year period.~~ The Governor  
2080 may by executive order designate up to three rural areas of  
2081 critical economic concern which will establish these areas as  
2082 priority assignments for REDI as well as to allow the Governor,  
2083 acting through REDI, to waive criteria, requirements, or similar  
2084 provisions of any economic development incentive. Such incentives  
2085 shall include, but not be limited to: the Qualified Target  
2086 Industry Tax Refund Program under s. 288.106, the Quick Response  
2087 Training Program under s. 288.047, the Quick Response Training  
2088 Program for participants in the welfare transition program under  
2089 s. 288.047(8), transportation projects under s. 288.063, the  
2090 brownfield redevelopment bonus refund under s. 288.107, and the  
2091 rural job tax credit program under ss. 212.098 and 220.1895.

2092 (b) Designation as a rural area of critical economic  
2093 concern under this subsection shall be contingent upon the  
2094 execution of a memorandum of agreement among the Office of  
2095 Tourism, Trade, and Economic Development; the governing body of  
2096 the county; and the governing bodies of any municipalities to be  
2097 included within a rural area of critical economic concern. Such  
2098 agreement shall specify the terms and conditions of the  
2099 designation, including, but not limited to, the duties and  
2100 responsibilities of the county and any participating  
2101 municipalities to take actions designed to facilitate the  
2102 retention and expansion of existing businesses in the area, as  
2103 well as the recruitment of new businesses to the area.

2104 (c) Each rural area of critical economic concern may

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2105 designate catalyst projects, provided that each catalyst project  
2106 is specifically recommended by REDI, identified as a catalyst  
2107 project by Enterprise Florida, Inc., and confirmed as a catalyst  
2108 project by the Office of Tourism, Trade, and Economic  
2109 Development. All state agencies and departments shall use all  
2110 available tools and resources to the extent permissible by law to  
2111 promote the creation and development of each catalyst project and  
2112 the development of catalyst sites.

2113 (8) REDI shall assist local governments within rural areas  
2114 of critical economic concern with comprehensive planning needs  
2115 with efforts that further the provisions of this section. Such  
2116 assistance shall reflect a multidisciplinary approach among all  
2117 agencies and shall include economic development and planning  
2118 objectives.

2119 (a) A local government may request assistance in the  
2120 preparation of comprehensive plan amendments, pursuant to part II  
2121 of chapter 163, that will stimulate economic activity.

2122 1. The local government must contact the Office of Tourism,  
2123 Trade, and Economic Development to request assistance.

2124 2. REDI representatives shall meet with the local  
2125 government within 15 days after such request to develop the scope  
2126 of assistance that will be provided to assist the development,  
2127 transmittal, and adoption of the proposed comprehensive plan  
2128 amendment.

2129 3. As part of the assistance provided, REDI representatives  
2130 shall also identify other needed local and developer actions for  
2131 approval of the project and recommend a timeline for the local  
2132 government and developer that will minimize project delays.

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2133        (b) In addition, REDI shall solicit requests each year for  
2134 assistance from local governments within a rural area of critical  
2135 economic concern to update the future land use element and other  
2136 associated elements of the local government's comprehensive plan  
2137 to better position the community to respond to economic  
2138 development potential within the county or municipality. REDI  
2139 shall provide direct assistance to such local governments to  
2140 update their comprehensive plans pursuant to this paragraph. At  
2141 least one comprehensive planning technical assistance effort  
2142 shall be selected each year.

2143        (c) REDI shall develop and annually update a technical  
2144 assistance manual based upon experiences learned in providing  
2145 direct assistance under this subsection.

2146        ~~(9)~~~~(8)~~ REDI shall submit a report to the Governor, the  
2147 President of the Senate, and the Speaker of the House of  
2148 Representatives each year on or before September ~~February~~ 1 on  
2149 all REDI activities for the prior fiscal year. This report shall  
2150 include a status report on all projects currently being  
2151 coordinated through REDI, the number of preferential awards and  
2152 allowances made pursuant to this section, the dollar amount of  
2153 such awards, and the names of the recipients. The report shall  
2154 also include a description of all waivers of program requirements  
2155 granted. The report shall also include information as to the  
2156 economic impact of the projects coordinated by REDI.

2157        Section 18. Subsection (1) of section 288.0657, Florida  
2158 Statutes, is amended to read:

2159        288.0657 Florida rural economic development strategy  
2160 grants.--

2161        (1) As used in this section, the term "rural community"

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2162 means:

2163 (a) A county with a population of 75,000 or less.

2164 (b) A county with a population of 120,000 ~~100,000~~ or less  
2165 that is contiguous to a county with a population of 75,000 or  
2166 less.

2167 (c) A municipality within a county described in paragraph  
2168 (a) or paragraph (b).

2169

2170 For purposes of this subsection, population shall be determined  
2171 in accordance with the most recent official estimate pursuant to  
2172 s. 186.901.

2173 Section 19. In order to carry out the additional rural  
2174 economic development responsibilities in this act, one full-time  
2175 equivalent position and the recurring sum of \$60,000 for  
2176 associated salaries and benefits is appropriated from the General  
2177 Revenue Fund to the Office of Tourism, Trade, and Economic  
2178 Development.

2179 Section 20. Subsection (2) of section 257.193, Florida  
2180 Statutes, is amended to read:

2181 257.193 Community Libraries in Caring Program.--

2182 (2) The purpose of the Community Libraries in Caring  
2183 Program is to assist libraries in rural communities, as defined  
2184 in s. 288.0656 ~~(2) (b)~~ and subject to the provisions of s.  
2185 288.06561, to strengthen their collections and services, improve  
2186 literacy in their communities, and improve the economic viability  
2187 of their communities.

2188 Section 21. Section 288.019, Florida Statutes, is amended  
2189 to read:

2190 288.019 Rural considerations in grant review and evaluation

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2191 processes.--Notwithstanding any other law, and to the fullest  
2192 extent possible, the member agencies and organizations of the  
2193 Rural Economic Development Initiative (REDI) as defined in s.  
2194 288.0656(6) (a) shall review all grant and loan application  
2195 evaluation criteria to ensure the fullest access for rural  
2196 counties as defined in s. 288.0656~~(2)(b)~~ to resources available  
2197 throughout the state.

2198 (1) Each REDI agency and organization shall review all  
2199 evaluation and scoring procedures and develop modifications to  
2200 those procedures which minimize the impact of a project within a  
2201 rural area.

2202 (2) Evaluation criteria and scoring procedures must provide  
2203 for an appropriate ranking based on the proportionate impact that  
2204 projects have on a rural area when compared with similar project  
2205 impacts on an urban area.

2206 (3) Evaluation criteria and scoring procedures must  
2207 recognize the disparity of available fiscal resources for an  
2208 equal level of financial support from an urban county and a rural  
2209 county.

2210 (a) The evaluation criteria should weight contribution in  
2211 proportion to the amount of funding available at the local level.

2212 (b) In-kind match should be allowed and applied as  
2213 financial match when a county is experiencing financial distress  
2214 through elevated unemployment at a rate in excess of the state's  
2215 average by 5 percentage points or because of the loss of its ad  
2216 valorem base.

2217 (4) For existing programs, the modified evaluation criteria  
2218 and scoring procedure must be delivered to the Office of Tourism,  
2219 Trade, and Economic Development for distribution to the REDI

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2220 agencies and organizations. The REDI agencies and organizations  
2221 shall review and make comments. Future rules, programs,  
2222 evaluation criteria, and scoring processes must be brought before  
2223 a REDI meeting for review, discussion, and recommendation to  
2224 allow rural counties fuller access to the state's resources.

2225 Section 22. Section 288.06561, Florida Statutes, is amended  
2226 to read:

2227 288.06561 Reduction or waiver of financial match  
2228 requirements.--Notwithstanding any other law, the member agencies  
2229 and organizations of the Rural Economic Development Initiative  
2230 (REDI), as defined in s. 288.0656(6)(a), shall review the  
2231 financial match requirements for projects in rural areas as  
2232 defined in s. 288.0656~~(2)(b)~~.

2233 (1) Each agency and organization shall develop a proposal  
2234 to waive or reduce the match requirement for rural areas.

2235 (2) Agencies and organizations shall ensure that all  
2236 proposals are submitted to the Office of Tourism, Trade, and  
2237 Economic Development for review by the REDI agencies.

2238 (3) These proposals shall be delivered to the Office of  
2239 Tourism, Trade, and Economic Development for distribution to the  
2240 REDI agencies and organizations. A meeting of REDI agencies and  
2241 organizations must be called within 30 days after receipt of such  
2242 proposals for REDI comment and recommendations on each proposal.

2243 (4) Waivers and reductions must be requested by the county  
2244 or community, and such county or community must have three or  
2245 more of the factors identified in s. 288.0656(2)(a).

2246 (5) Any other funds available to the project may be used  
2247 for financial match of federal programs when there is fiscal  
2248 hardship, and the match requirements may not be waived or

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2249 reduced.

2250 (6) When match requirements are not reduced or eliminated,  
2251 donations of land, though usually not recognized as an in-kind  
2252 match, may be permitted.

2253 (7) To the fullest extent possible, agencies and  
2254 organizations shall expedite the rule adoption and amendment  
2255 process if necessary to incorporate the reduction in match by  
2256 rural areas in fiscal distress.

2257 (8) REDI shall include in its annual report an evaluation  
2258 on the status of changes to rules, number of awards made with  
2259 waivers, and recommendations for future changes.

2260 Section 23. Paragraph (d) of subsection (15) of section  
2261 627.6699, Florida Statutes, is amended to read:

2262 627.6699 Employee Health Care Access Act.--

2263 (15) SMALL EMPLOYERS ACCESS PROGRAM.--

2264 (d) Eligibility.--

2265 1. Any small employer that is actively engaged in business,  
2266 has its principal place of business in this state, employs up to  
2267 25 eligible employees on business days during the preceding  
2268 calendar year, employs at least 2 employees on the first day of  
2269 the plan year, and has had no prior coverage for the last 6  
2270 months may participate.

2271 2. Any municipality, county, school district, or hospital  
2272 employer located in a rural community as defined in s.

2273 288.0656(2)(b) may participate.

2274 3. Nursing home employers may participate.

2275 4. Each dependent of a person eligible for coverage is also  
2276 eligible to participate.

2277 Any employer participating in the program must do so until the

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2278 | end of the term for which the carrier providing the coverage is  
2279 | obligated to provide such coverage to the program. Coverage for a  
2280 | small employer group that ceases to meet the eligibility  
2281 | requirements of this section may be terminated at the end of the  
2282 | policy period for which the necessary premiums have been paid.

2283 |       Section 24. This act shall take effect upon becoming a law.