

1 A bill to be entitled
2 An act relating to space and aerospace infrastructure;
3 providing a short title; amending s. 288.1088, F.S.;
4 providing legislative findings; authorizing the use of a
5 specified amount of resources for projects to retain or
6 create high-technology jobs directly associated with
7 developing a more diverse aerospace economy in the state;
8 authorizing Enterprise Florida, Inc., to waive eligibility
9 criteria for projects receiving funds from the Quick
10 Action Closing Fund which would mitigate the impact of the
11 conclusion of the space shuttle program; creating s.
12 331.370, F.S.; providing legislative findings; requiring
13 the president of Space Florida to develop a strategy and
14 plan for the management and goals for the Space Business
15 Investment and Financial Services Trust Fund; providing
16 requirements for the strategy and plan; requiring Space
17 Florida's board of directors to adopt procedures for the
18 approval of all proposed expenditures and investments from
19 the fund; requiring the president of Space Florida to
20 submit a quarterly financial report on the use and status
21 of the fund to the Office of Tourism, Trade, and Economic
22 Development within the Executive Office of the Governor;
23 requiring Space Florida to submit an annual report to the
24 Governor and the Legislature; revising authorized uses of
25 specified Space Florida appropriations; providing a
26 contingent effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:

29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56

Section 1. This act may be cited as the "Space Transition and Revitalization Act."

Section 2. Section 288.1088, Florida Statutes, is amended to read:

288.1088 Quick Action Closing Fund.—

(1) (a) The Legislature finds that attracting, retaining, and providing favorable conditions for the growth of certain high-impact business facilities, privately developed critical rural infrastructure, or key facilities in economically distressed urban or rural communities which provide widespread economic benefits to the public through high-quality employment opportunities in such facilities or in related facilities attracted to the state, through the increased tax base provided by the high-impact facility and related businesses, through an enhanced entrepreneurial climate in the state and the resulting business and employment opportunities, and through the stimulation and enhancement of the state's universities and community colleges. In the global economy, there exists serious and fierce international competition for these facilities, and in most instances, when all available resources for economic development have been used, the state continues to encounter severe competitive disadvantages in vying for these business facilities. Florida's rural areas must provide a competitive environment for business in the information age. This often requires an incentive to make it feasible for private investors to provide infrastructure in those areas.

(b) The Legislature finds that the conclusion of the space

57 shuttle program and the gap in civil human space flight will
 58 result in significant job losses that will negatively impact
 59 families, companies, the state and regional economies, and the
 60 capability level of this state's aerospace workforce. Thus, the
 61 Legislature also finds that this loss of jobs is a matter of
 62 state interest and great public importance. The Legislature
 63 further finds that it is in the state's interest for provisions
 64 to be made in incentive programs for economic development to
 65 maximize the state's ability to mitigate these impacts and to
 66 develop a more diverse aerospace economy.

67 (c) ~~(b)~~ The Legislature therefore declares that sufficient
 68 resources shall be available to respond to extraordinary
 69 economic opportunities and to compete effectively for these
 70 high-impact business facilities, critical private infrastructure
 71 in rural areas, and key businesses in economically distressed
 72 urban or rural communities, and that up to 20 percent of these
 73 resources may be used for projects to retain or create high-
 74 technology jobs that are directly associated with developing a
 75 more diverse aerospace economy in this state.

76 (2) There is created within the Office of Tourism, Trade,
 77 and Economic Development the Quick Action Closing Fund. Projects
 78 eligible for receipt of funds from the Quick Action Closing Fund
 79 shall:

- 80 (a) Be in an industry as referenced in s. 288.106.
- 81 (b) Have a positive payback ratio of at least 5 to 1.
- 82 (c) Be an inducement to the project's location or
 83 expansion in the state.
- 84 (d) Pay an average annual wage of at least 125 percent of

85 the areawide or statewide private sector average wage.

86 (e) Be supported by the local community in which the
87 project is to be located.

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

91 Enterprise Florida, Inc., in consultation with the Office of
92 Tourism, Trade, and Economic Development, may waive these
93 criteria:

94 1. Based on extraordinary circumstances;

95 2. In order to mitigate the impact of the conclusion of
96 the space shuttle program; or

97 3. In rural areas of critical economic concern if the
98 project would significantly benefit the local or regional
99 economy.

100 (b) Enterprise Florida, Inc., shall evaluate individual
101 proposals for high-impact business facilities and forward
102 recommendations regarding the use of moneys in the fund for such
103 facilities to the director of the Office of Tourism, Trade, and
104 Economic Development. Such evaluation and recommendation must
105 include, but need not be limited to:

106 1. A description of the type of facility or
107 infrastructure, its operations, and the associated product or
108 service associated with the facility.

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

113 stimulated by the investment.

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

116 4. A statement of any special impacts the facility is
117 expected to stimulate in a particular business sector in the
118 state or regional economy or in the state's universities and
119 community colleges.

120 5. A statement of the role the incentive is expected to
121 play in the decision of the applicant business to locate or
122 expand in this state or for the private investor to provide
123 critical rural infrastructure.

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

126 a. A financial analysis of the company, including an
127 evaluation of the company's short-term liquidity ratio as
128 measured by its assets to liability, the company's profitability
129 ratio, and the company's long-term solvency as measured by its
130 debt-to-equity ratio;

131 b. The historical market performance of the company;

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

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

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

137 (c) ~~(b)~~ Within 22 calendar days after receiving the
138 evaluation and recommendation from Enterprise Florida, Inc., the
139 director shall recommend to the Governor approval or disapproval
140 of a project for receipt of funds from the Quick Action Closing

141 Fund. In recommending a project, the director shall include
 142 proposed performance conditions that the project must meet to
 143 obtain incentive funds. The Governor shall provide the
 144 evaluation of projects recommended for approval to the President
 145 of the Senate and the Speaker of the House of Representatives
 146 and consult with the President of the Senate and the Speaker of
 147 the House of Representatives before giving final approval for a
 148 project. The Executive Office of the Governor shall recommend
 149 approval of a project and the release of funds pursuant to the
 150 legislative consultation and review requirements set forth in s.
 151 216.177. The recommendation must include proposed performance
 152 conditions that the project must meet in order to obtain funds.

153 (d)~~(e)~~ Upon the approval of the Governor, the director of
 154 the Office of Tourism, Trade, and Economic Development and the
 155 business shall enter into a contract that sets forth the
 156 conditions for payment of moneys from the fund. The contract
 157 must include the total amount of funds awarded; the performance
 158 conditions that must be met to obtain the award, including, but
 159 not limited to, net new employment in the state, average salary,
 160 and total capital investment; demonstrate a baseline of current
 161 service and a measure of enhanced capability; the methodology
 162 for validating performance; the schedule of payments from the
 163 fund; and sanctions for failure to meet performance conditions.
 164 The contract must provide that payment of moneys from the fund
 165 is contingent upon sufficient appropriation of funds by the
 166 Legislature and upon sufficient release of appropriated funds by
 167 the Legislative Budget Commission.

168 (e)~~(d)~~ Enterprise Florida, Inc., shall validate contractor

169 performance. Such validation shall be reported within 6 months
170 after completion of the contract to the Governor, President of
171 the Senate, and the Speaker of the House of Representatives.

172 Section 3. Section 331.370, Florida Statutes, is created
173 to read:

174 331.370 Space Business Investment and Financial Services
175 Initiative.-

176 (1) The Legislature finds that there is a critical need
177 for capital assistance and financing services for aerospace
178 business expansion, economic development, and infrastructure
179 financing within the state. The Legislature further finds that
180 it is in the state's economic interest to provide initial
181 investment funding and to establish dedicated investment funding
182 during the period of transition from the space shuttle program
183 to provide financial and investment services consistent with the
184 powers and duties of the Space Florida Act to new and expanding
185 aerospace and space-enabled businesses, programs, and projects
186 in order to offset job losses and promote economic growth.

187 (2) The president of Space Florida shall develop a 5-year
188 strategy and plan for the management and goals of the Space
189 Business Investment and Financial Services Trust Fund, which
190 must be submitted to the board of directors and approved before
191 any investment or expenditure is made. This strategy and plan
192 must be updated and approved annually by the board of directors,
193 and included in the financing assistance plan established in s.
194 331.305(6). The board of directors may adopt procedural rules
195 for the approval of all proposed expenditures and investments
196 from this fund. The president of Space Florida shall submit a

197 quarterly financial report on the use and status of the fund to
198 the Office of Tourism, Trade, and Economic Development within
199 the Executive Office of the Governor. Beginning January 1, 2011,
200 and every year thereafter, Space Florida shall submit to the
201 Governor, the President of the Senate, and the Speaker of the
202 House of Representatives a report summarizing the activities and
203 accomplishments of the recipients of assistance from the Space
204 Business Investment and Financial Services Trust Fund during the
205 previous 12 months.

206 Section 4. Notwithstanding any other provisions of law,
207 funds provided in Specific Appropriation 2649 of chapter 2008-
208 152, Laws of Florida, for Space and Aerospace Infrastructure to
209 make improvements to Launch Complex 36 on the 45th Space Wing
210 property may also be used by Space Florida for improvements to
211 other launch complexes and space transportation facilities in
212 order to attract new space vehicle testing and launch business
213 to the state; to address intermodal requirements and impacts of
214 the launch ranges, spaceports, and other space transportation
215 facilities; to advance aerospace technology to meet the current
216 and future needs of the United States commercial space
217 transportation industry; and to assist in the development of
218 joint-use facilities and technology that support aviation and
219 aerospace operations, including high-altitude and suborbital
220 flights and range technology development.

221 Section 5. This act shall take effect July 1, 2010, if HB
222 1391, or similar legislation creating the Space Business
223 Investment and Financial Services Trust Fund, is adopted in the

CS/HB 1389

2010

224 | same legislative session or an extension thereof and becomes
225 | law.