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CS/CS/HB 1389

2010 Legislature

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; revising
12 authorized uses of specified Space Florida appropriations;
13 providing an effective date.

14
15 Be It Enacted by the Legislature of the State of Florida:

16
17 Section 1. This act may be cited as the "Space Transition
18 and Revitalization Act."

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

21 288.1088 Quick Action Closing Fund.—

22 (1)(a) The Legislature finds that attracting, retaining,
23 and providing favorable conditions for the growth of certain
24 high-impact business facilities, privately developed critical
25 rural infrastructure, or key facilities in economically
26 distressed urban or rural communities which provide widespread
27 economic benefits to the public through high-quality employment
28 opportunities in such facilities or in related facilities

ENROLLED
CS/CS/HB 1389

2010 Legislature

29 attracted to the state, through the increased tax base provided
30 by the high-impact facility and related businesses, through an
31 enhanced entrepreneurial climate in the state and the resulting
32 business and employment opportunities, and through the
33 stimulation and enhancement of the state's universities and
34 community colleges. In the global economy, there exists serious
35 and fierce international competition for these facilities, and
36 in most instances, when all available resources for economic
37 development have been used, the state continues to encounter
38 severe competitive disadvantages in vying for these business
39 facilities. Florida's rural areas must provide a competitive
40 environment for business in the information age. This often
41 requires an incentive to make it feasible for private investors
42 to provide infrastructure in those areas.

43 (b) The Legislature finds that the conclusion of the space
44 shuttle program and the gap in civil human space flight will
45 result in significant job losses that will negatively impact
46 families, companies, the state and regional economies, and the
47 capability level of this state's aerospace workforce. Thus, the
48 Legislature also finds that this loss of jobs is a matter of
49 state interest and great public importance. The Legislature
50 further finds that it is in the state's interest for provisions
51 to be made in incentive programs for economic development to
52 maximize the state's ability to mitigate these impacts and to
53 develop a more diverse aerospace economy.

54 (c) ~~(b)~~ The Legislature therefore declares that sufficient
55 resources shall be available to respond to extraordinary
56 economic opportunities and to compete effectively for these

ENROLLED
CS/CS/HB 1389

2010 Legislature

57 high-impact business facilities, critical private infrastructure
58 in rural areas, and key businesses in economically distressed
59 urban or rural communities, and that up to 20 percent of these
60 resources may be used for projects to retain or create high-
61 technology jobs that are directly associated with developing a
62 more diverse aerospace economy in this state.

63 (2) There is created within the Office of Tourism, Trade,
64 and Economic Development the Quick Action Closing Fund. Projects
65 eligible for receipt of funds from the Quick Action Closing Fund
66 shall:

67 (a) Be in an industry as referenced in s. 288.106.

68 (b) Have a positive payback ratio of at least 5 to 1.

69 (c) Be an inducement to the project's location or
70 expansion in the state.

71 (d) Pay an average annual wage of at least 125 percent of
72 the areawide or statewide private sector average wage.

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

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

78 Enterprise Florida, Inc., in consultation with the Office of
79 Tourism, Trade, and Economic Development, may waive these
80 criteria:

81 1. Based on extraordinary circumstances;

82 2. In order to mitigate the impact of the conclusion of
83 the space shuttle program; or

84 3. In rural areas of critical economic concern if the

ENROLLED
CS/CS/HB 1389

2010 Legislature

85 | project would significantly benefit the local or regional
86 | economy.

87 | (b) Enterprise Florida, Inc., shall evaluate individual
88 | proposals for high-impact business facilities and forward
89 | recommendations regarding the use of moneys in the fund for such
90 | facilities to the director of the Office of Tourism, Trade, and
91 | Economic Development. Such evaluation and recommendation must
92 | include, but need not be limited to:

93 | 1. A description of the type of facility or
94 | infrastructure, its operations, and the associated product or
95 | service associated with the facility.

96 | 2. The number of full-time-equivalent jobs that will be
97 | created by the facility and the total estimated average annual
98 | wages of those jobs or, in the case of privately developed rural
99 | infrastructure, the types of business activities and jobs
100 | stimulated by the investment.

101 | 3. The cumulative amount of investment to be dedicated to
102 | the facility within a specified period.

103 | 4. A statement of any special impacts the facility is
104 | expected to stimulate in a particular business sector in the
105 | state or regional economy or in the state's universities and
106 | community colleges.

107 | 5. A statement of the role the incentive is expected to
108 | play in the decision of the applicant business to locate or
109 | expand in this state or for the private investor to provide
110 | critical rural infrastructure.

111 | 6. A report evaluating the quality and value of the
112 | company submitting a proposal. The report must include:

ENROLLED
CS/CS/HB 1389

2010 Legislature

113 a. A financial analysis of the company, including an
114 evaluation of the company's short-term liquidity ratio as
115 measured by its assets to liability, the company's profitability
116 ratio, and the company's long-term solvency as measured by its
117 debt-to-equity ratio;

118 b. The historical market performance of the company;

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

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

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

124 (c) ~~(b)~~ Within 22 calendar days after receiving the
125 evaluation and recommendation from Enterprise Florida, Inc., the
126 director shall recommend to the Governor approval or disapproval
127 of a project for receipt of funds from the Quick Action Closing
128 Fund. In recommending a project, the director shall include
129 proposed performance conditions that the project must meet to
130 obtain incentive funds. The Governor shall provide the
131 evaluation of projects recommended for approval to the President
132 of the Senate and the Speaker of the House of Representatives
133 and consult with the President of the Senate and the Speaker of
134 the House of Representatives before giving final approval for a
135 project. The Executive Office of the Governor shall recommend
136 approval of a project and the release of funds pursuant to the
137 legislative consultation and review requirements set forth in s.
138 216.177. The recommendation must include proposed performance
139 conditions that the project must meet in order to obtain funds.

140 (d) ~~(e)~~ Upon the approval of the Governor, the director of

ENROLLED
CS/CS/HB 1389

2010 Legislature

141 the Office of Tourism, Trade, and Economic Development and the
 142 business shall enter into a contract that sets forth the
 143 conditions for payment of moneys from the fund. The contract
 144 must include the total amount of funds awarded; the performance
 145 conditions that must be met to obtain the award, including, but
 146 not limited to, net new employment in the state, average salary,
 147 and total capital investment; demonstrate a baseline of current
 148 service and a measure of enhanced capability; the methodology
 149 for validating performance; the schedule of payments from the
 150 fund; and sanctions for failure to meet performance conditions.
 151 The contract must provide that payment of moneys from the fund
 152 is contingent upon sufficient appropriation of funds by the
 153 Legislature and upon sufficient release of appropriated funds by
 154 the Legislative Budget Commission.

155 (e) ~~(d)~~ Enterprise Florida, Inc., shall validate contractor
 156 performance. Such validation shall be reported within 6 months
 157 after completion of the contract to the Governor, President of
 158 the Senate, and the Speaker of the House of Representatives.

159 Section 3. Notwithstanding any other provisions of law,
 160 funds provided in Specific Appropriation 2649 of chapter 2008-
 161 152, Laws of Florida, for Space and Aerospace Infrastructure to
 162 make improvements to Launch Complex 36 on the 45th Space Wing
 163 property may also be used by Space Florida for improvements to
 164 other launch complexes and space transportation facilities in
 165 order to attract new space vehicle testing and launch business
 166 to the state; to address intermodal requirements and impacts of
 167 the launch ranges, spaceports, and other space transportation
 168 facilities; to advance aerospace technology to meet the current

ENROLLED
CS/CS/HB 1389

2010 Legislature

169 | and future needs of the United States commercial space
170 | transportation industry; and to assist in the development of
171 | joint-use facilities and technology that support aviation and
172 | aerospace operations, including high-altitude and suborbital
173 | flights and range technology development.

174 | Section 4. This act shall take effect July 1, 2010.