

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Commerce Committee

**BILL:** CS/SB 2606

**INTRODUCER:** Commerce Committee and Senator Constantine

**SUBJECT:** Space Florida

**DATE:** March 24, 2010      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Pugh	Cooper	CM	<b>Fav/CS</b>
2.			GO	
3.			TA	
4.				
5.				
6.				

**Please see Section VIII. for Additional Information:**

- |                              |                                     |   |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes        |
| B. AMENDMENTS.....           | <input type="checkbox"/>            | Technical amendments were recommended   |
|                              | <input type="checkbox"/>            | Amendments were recommended             |
|                              | <input type="checkbox"/>            | Significant amendments were recommended |

**I. Summary:**

Space Florida is responsible for promoting the development of a sustainable aerospace industry, space infrastructure, and educational opportunities for people interested in working in the space and aerospace industry. Space Florida’s staff activities are overseen by a 19-member board of directors, consisting of 17 voting members (12 private-sector appointees by the Governor and 5 state agency representatives serving ex officio) and 2 ex officio, nonvoting members (one state senator and one member of the state House of Representatives.)

CS/SB 2606 terminates the existing board of directors of Space Florida 90 days after the CS becomes law, and creates a new 15-member board: 13 voting and 2 non-voting. The CS reduces the number of ex officio voting members from 5 to 4, and reduces the number of voting members appointed by the Governor from 12 to 9. The bill also makes a number of changes to the composition of the board, and requires that all voting members be residents of Florida or have a business enterprise in the state.

The initial appointments of new members and Senate confirmations of the appointments must occur within 91 days after the bill becomes law.

CS/SB 2606 does not alter the powers and duties of the board, nor does it impact the scope of Space Florida's rule-making authority.

CS/SB 2606 repeals s. 331.308, F.S., and creates s. 331.3081, F.S.

## II. Present Situation:

In 2006, the Legislature created Space Florida within ch. 331, F.S., as the successor organization to the Florida Space Authority, the Florida Space Research Institute and the Florida Aerospace Finance Corporation. Space Florida is responsible for promoting the development of a sustainable aerospace industry, space infrastructure, and educational opportunities for people interested in working in the space and aerospace industry.

The activities of Space Florida and its staff are overseen by a 19-member board of directors (board). The current board consists of:

- Five ex officio, voting members:
  - The Governor or the Governor's designee;
  - The Secretary of Transportation or the secretary's designee;
  - The President of Workforce Florida, Inc., or the president's designee;
  - The President of Enterprise Florida, Inc., or the president's designee; and
  - The Commissioner of Education or the commissioner's designee.
- Twelve members from the private sector appointed by the Governor:
  - One must be a representative of organized labor with professional experience in the aerospace industry and
  - At least one individual from each of the following industries: business, finance, marketing, space, aerospace, aviation, defense, research and development, and education.
  - When making these appointments, the Governor must "consider whether the current members of the board, together with potential appointees, reflect the racial, ethnic, and gender diversity, as well as the geographic distribution, of the population of the state."
- Two ex officio, nonvoting members:
  - A member of the Senate, selected by the President of the Senate; and
  - A member of the House of Representatives, selected by the Speaker.

Designees of appointed members do not have voting authority. The appointees of the President of the Senate and the Speaker of the House of Representatives serve at the pleasure of their presiding officers. Appointed members may be removed by the Governor for cause. Absence from three consecutive meetings without good cause results in automatic removal by the Governor.

The Governor serves as the chair of the board, and the members biennially elect one of the private-sector members as vice chair to serve in the Governor's absence and to perform such other duties as may be designated.

Board members serve without compensation, but may be reimbursed for "all reasonable, necessary, and actual expenses" related to travel and meeting expenses incurred in their official

duties, pursuant to s. 112.061, F.S. Board members also must file a disclosure of financial interests, pursuant to s. 112.3145, F.S.

### III. Effect of Proposed Changes:

CS/SB 2606 makes a number of significant changes to the composition of Space Florida's board of directors.

Section 1: Creates s. 331.3081, F.S., to constitute a new board of directors for Space Florida.

The new board has 13 voting members, rather than the current 17. This includes a reduction in the number of ex officio, voting members from 5 to 4 and a reduction in the Governor's appointees from 12 to 9. There are no changes in the requirements for the ex officio, nonvoting members. Specifically:

- Changes for ex officio, voting members:
  - Specifically requires that the Lieutenant Governor serve as the Governor's designee; and
  - Removes the Commissioner of Education from the board.
- Changes for appointed members:
  - Retains one member from organized labor with experience in the aerospace industry; and appoints:
  - Two members from the state's aerospace-related industries;
  - Two members, each representing a separate commercial aerospace company involved in human space flight programs or commercial access to space;
  - Two members, each representing a separate commercial company working under federal government contracts to conduct space-related business;
  - One member from an alternative energy enterprise with potential for aerospace applications; and
  - One member from the aerospace industry whose primary client is the U.S. Department of Defense.

Among general requirements for the new board members, CS/SB 2606 specifies that:

- All appointees have "demonstrated knowledge and experience in the field of aerospace or have experience which is directly applicable to the state's aerospace endeavors;"
- All voting members must be residents of the state or have a business enterprise in Florida;
- The Governor must consider whether the membership reflects the racial, ethnic, and gender diversity, as well as the geographic distribution, of the population of the state; and
- Designees of the appointed members representing the private-sector do not have voting authority, while the Lieutenant Governor and designees of agency members may vote.

The terms of the current board members expire 90 days after this section becomes law, and the new board members must be appointed and confirmed by the Senate 91 days after this section become laws. However, the new board members will operate under interim status until the next called meeting of the Senate, the earliest of which likely would be in November 2010.

The terms of four of the nine new appointees shall be for 2 years, and the other five appointees shall serve terms of 4 years. All subsequent terms are for 4 years. Vacancies for unexpired terms shall be filled by persons with the same qualifications and for the length of time remaining.

Consistent with current law, CS/SB 2606 allows for removal of appointed members by the Governor “for cause,” but it removes the existing provision requiring automatic removal of members who are absent from three consecutive meetings without good cause. In addition, the bill allows for removal of appointed members by a simple majority of the board of directors voting at a properly noticed meeting of the board.

Section 2: Repeals s. 331.308, F.S., the statute that created the existing 19-member board of directors.

Section 3: Specifies this act shall take effect upon becoming law.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Travel and other approved expenses under s. 112.061, F.S., for Space Florida’s board for board members are likely to be less, with fewer board members.

#### **VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by the Commerce Committee on March 25, 2010:**

- Gives designees of ex officio, voting members (agency heads) the authority to vote.
- Retains current law specifying that designees of Governor-appointed voting members do not have the authority to vote.
- Replaces the director of the Agency for Workforce Innovation with the president of Workforce Florida, Inc., reverting to current law.
- Replaces the vice chair of Enterprise Florida, Inc. with the president of Enterprise Florida, Inc., reverting to current law.
- Changes the date for the expiration of terms of the current members from 180 days after the CS takes effect to 90 days after the CS takes effect.
- Changes the required date for initial appointments and Senate confirmations of the appointments to the new board from within 180 days after the CS takes effect to 91 days after the CS takes effect.

**B. Amendments:**

None.