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1 A bill to be entitled
2 An act relating to economic development; amending s.
3 212.031, F.S.; providing a partial exemption from the tax
4 on renting, leasing, letting, or granting a license for
5 the use of real property for property rented, leased,
6 subleased, or licensed to a person providing certain
7 services at convention halls, civic centers, or public
8 lodging establishments; providing for application only to
9 certain portions of payments; providing for retroactive
10 application; amending s. 212.08, F.S., relating to
11 exemptions from sales, rental, use, consumption,
12 distribution, and storage tax; revising the definitions of
13 the terms "productive output" and "real property" for
14 purposes of certain exemptions; creating s. 288.0659,
15 F.S.; creating the Local Government Distressed Area
16 Matching Grant Program within the Office of Tourism,
17 Trade, and Economic Development; providing a program
18 purpose; providing definitions; authorizing the office to
19 accept and administer appropriated moneys to provide local
20 government distressed area matching grants; authorizing
21 local governments to apply for grants to match qualified
22 business assistance; providing qualifying requirements for
23 targeted businesses; specifying evaluation criteria for
24 reviewing grant requests; subjecting grant approval to
25 legislative appropriation; providing limitations on
26 expending funds; providing procedures for approving grant
27 allocations or disapproving application; providing a
28 process for making preliminary and final grant awards;

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 providing requirements for grant recipients; providing for
 30 revocation of grants; limiting the grant amount for the
 31 qualified business assistance; authorizing the office to
 32 retain certain funds for administrative costs; providing
 33 appropriations; providing an effective date.

34

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

36

37 Section 1. Paragraph (a) of subsection (1) of section
 38 212.031, Florida Statutes, is amended to read:

39 212.031 Tax on rental or license fee for use of real
 40 property.—

41 (1) (a) It is declared to be the legislative intent that
 42 every person is exercising a taxable privilege who engages in
 43 the business of renting, leasing, letting, or granting a license
 44 for the use of any real property unless such property is:

- 45 1. Assessed as agricultural property under s. 193.461.
- 46 2. Used exclusively as dwelling units.
- 47 3. Property subject to tax on parking, docking, or storage
 48 spaces under s. 212.03(6).

49 4. Recreational property or the common elements of a
 50 condominium when subject to a lease between the developer or
 51 owner thereof and the condominium association in its own right
 52 or as agent for the owners of individual condominium units or
 53 the owners of individual condominium units. However, only the
 54 lease payments on such property shall be exempt from the tax
 55 imposed by this chapter, and any other use made by the owner or
 56 the condominium association shall be fully taxable under this

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57 | chapter.

58 | 5. A public or private street or right-of-way and poles,
59 | conduits, fixtures, and similar improvements located on such
60 | streets or rights-of-way, occupied or used by a utility or
61 | provider of communications services, as defined by s. 202.11,
62 | for utility or communications or television purposes. For
63 | purposes of this subparagraph, the term "utility" means any
64 | person providing utility services as defined in s. 203.012. This
65 | exception also applies to property, wherever located, on which
66 | the following are placed: towers, antennas, cables, accessory
67 | structures, or equipment, not including switching equipment,
68 | used in the provision of mobile communications services as
69 | defined in s. 202.11. For purposes of this chapter, towers used
70 | in the provision of mobile communications services, as defined
71 | in s. 202.11, are considered to be fixtures.

72 | 6. A public street or road which is used for
73 | transportation purposes.

74 | 7. Property used at an airport exclusively for the purpose
75 | of aircraft landing or aircraft taxiing or property used by an
76 | airline for the purpose of loading or unloading passengers or
77 | property onto or from aircraft or for fueling aircraft.

78 | 8.a. Property used at a port authority, as defined in s.
79 | 315.02(2), exclusively for the purpose of oceangoing vessels or
80 | tugs docking, or such vessels mooring on property used by a port
81 | authority for the purpose of loading or unloading passengers or
82 | cargo onto or from such a vessel, or property used at a port
83 | authority for fueling such vessels, or to the extent that the
84 | amount paid for the use of any property at the port is based on

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85 the charge for the amount of tonnage actually imported or
86 exported through the port by a tenant.

87 b. The amount charged for the use of any property at the
88 port in excess of the amount charged for tonnage actually
89 imported or exported shall remain subject to tax except as
90 provided in sub-subparagraph a.

91 9. Property used as an integral part of the performance of
92 qualified production services. As used in this subparagraph, the
93 term "qualified production services" means any activity or
94 service performed directly in connection with the production of
95 a qualified motion picture, as defined in s. 212.06(1)(b), and
96 includes:

97 a. Photography, sound and recording, casting, location
98 managing and scouting, shooting, creation of special and optical
99 effects, animation, adaptation (language, media, electronic, or
100 otherwise), technological modifications, computer graphics, set
101 and stage support (such as electricians, lighting designers and
102 operators, greensmen, prop managers and assistants, and grips),
103 wardrobe (design, preparation, and management), hair and makeup
104 (design, production, and application), performing (such as
105 acting, dancing, and playing), designing and executing stunts,
106 coaching, consulting, writing, scoring, composing,
107 choreographing, script supervising, directing, producing,
108 transmitting dailies, dubbing, mixing, editing, cutting,
109 looping, printing, processing, duplicating, storing, and
110 distributing;

111 b. The design, planning, engineering, construction,
112 alteration, repair, and maintenance of real or personal property

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113 including stages, sets, props, models, paintings, and facilities
114 principally required for the performance of those services
115 listed in sub-subparagraph a.; and

116 c. Property management services directly related to
117 property used in connection with the services described in sub-
118 subparagraphs a. and b.

119
120 This exemption will inure to the taxpayer upon presentation of
121 the certificate of exemption issued to the taxpayer under the
122 provisions of s. 288.1258.

123 10. Leased, subleased, licensed, or rented to a person
124 providing food and drink concessionaire services within the
125 premises of a convention hall, exhibition hall, auditorium,
126 stadium, theater, arena, civic center, performing arts center,
127 publicly owned recreational facility, or any business operated
128 under a permit issued pursuant to chapter 550. A person
129 providing retail concessionaire services involving the sale of
130 food and drink or other tangible personal property within the
131 premises of an airport shall be subject to tax on the rental of
132 real property used for that purpose, but shall not be subject to
133 the tax on any license to use the property. For purposes of this
134 subparagraph, the term "sale" shall not include the leasing of
135 tangible personal property.

136 11. Property occupied pursuant to an instrument calling
137 for payments which the department has declared, in a Technical
138 Assistance Advisement issued on or before March 15, 1993, to be
139 nontaxable pursuant to rule 12A-1.070(19)(c), Florida
140 Administrative Code; provided that this subparagraph shall only

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141 apply to property occupied by the same person before and after
142 the execution of the subject instrument and only to those
143 payments made pursuant to such instrument, exclusive of renewals
144 and extensions thereof occurring after March 15, 1993.

145 12. Rented, leased, subleased, or licensed to a
146 concessionaire by a convention hall, exhibition hall,
147 auditorium, stadium, theater, arena, civic center, performing
148 arts center, or publicly owned recreational facility, during an
149 event at the facility, to be used by the concessionaire to sell
150 souvenirs, novelties, or other event-related products. This
151 subparagraph applies only to that portion of the rental, lease,
152 or license payment which is based on a percentage of sales and
153 not based on a fixed price. This subparagraph is repealed July
154 1, 2009.

155 13. Property used or occupied predominantly for space
156 flight business purposes. As used in this subparagraph, "space
157 flight business" means the manufacturing, processing, or
158 assembly of a space facility, space propulsion system, space
159 vehicle, satellite, or station of any kind possessing the
160 capacity for space flight, as defined by s. 212.02(23), or
161 components thereof, and also means the following activities
162 supporting space flight: vehicle launch activities, flight
163 operations, ground control or ground support, and all
164 administrative activities directly related thereto. Property
165 shall be deemed to be used or occupied predominantly for space
166 flight business purposes if more than 50 percent of the
167 property, or improvements thereon, is used for one or more space
168 flight business purposes. Possession by a landlord, lessor, or

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169 | licensor of a signed written statement from the tenant, lessee,
 170 | or licensee claiming the exemption shall relieve the landlord,
 171 | lessor, or licensor from the responsibility of collecting the
 172 | tax, and the department shall look solely to the tenant, lessee,
 173 | or licensee for recovery of such tax if it determines that the
 174 | exemption was not applicable.

175 | 14. Rented, leased, subleased, or licensed to a person
 176 | providing telecommunications, data systems management, or
 177 | Internet services at a publicly or privately owned convention
 178 | hall, civic center, or meeting space at a public lodging
 179 | establishment as defined in s. 509.013. This subparagraph
 180 | applies only to that portion of the rental, lease, or license
 181 | payment that is based upon a percentage of sales, revenue
 182 | sharing, or royalty payments and not based upon a fixed price.
 183 | This subparagraph is intended to be clarifying and remedial in
 184 | nature and shall apply retroactively. This subparagraph does not
 185 | provide a basis for an assessment of any tax not paid, or create
 186 | a right to a refund of any tax paid, pursuant to this section
 187 | before July 1, 2010.

188 | Section 2. Paragraphs (b) and (g) of subsection (5) of
 189 | section 212.08, Florida Statutes, are amended to read:

190 | 212.08 Sales, rental, use, consumption, distribution, and
 191 | storage tax; specified exemptions.—The sale at retail, the
 192 | rental, the use, the consumption, the distribution, and the
 193 | storage to be used or consumed in this state of the following
 194 | are hereby specifically exempt from the tax imposed by this
 195 | chapter.

196 | (5) EXEMPTIONS; ACCOUNT OF USE.—

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197 (b) Machinery and equipment used to increase productive
198 output.—

199 1. Industrial machinery and equipment purchased for
200 exclusive use by a new business in spaceport activities as
201 defined by s. 212.02 or for use in new businesses which
202 manufacture, process, compound, or produce for sale items of
203 tangible personal property at fixed locations are exempt from
204 the tax imposed by this chapter upon an affirmative showing by
205 the taxpayer to the satisfaction of the department that such
206 items are used in a new business in this state. Such purchases
207 must be made prior to the date the business first begins its
208 productive operations, and delivery of the purchased item must
209 be made within 12 months of that date.

210 2. Industrial machinery and equipment purchased for
211 exclusive use by an expanding facility which is engaged in
212 spaceport activities as defined by s. 212.02 or for use in
213 expanding manufacturing facilities or plant units which
214 manufacture, process, compound, or produce for sale items of
215 tangible personal property at fixed locations in this state are
216 exempt from any amount of tax imposed by this chapter upon an
217 affirmative showing by the taxpayer to the satisfaction of the
218 department that such items are used to increase the productive
219 output of such expanded facility or business by not less than 10
220 percent.

221 3.a. To receive an exemption provided by subparagraph 1.
222 or subparagraph 2., a qualifying business entity shall apply to
223 the department for a temporary tax exemption permit. The
224 application shall state that a new business exemption or

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225 expanded business exemption is being sought. Upon a tentative
226 affirmative determination by the department pursuant to
227 subparagraph 1. or subparagraph 2., the department shall issue
228 such permit.

229 b. The applicant shall be required to maintain all
230 necessary books and records to support the exemption. Upon
231 completion of purchases of qualified machinery and equipment
232 pursuant to subparagraph 1. or subparagraph 2., the temporary
233 tax permit shall be delivered to the department or returned to
234 the department by certified or registered mail.

235 c. If, in a subsequent audit conducted by the department,
236 it is determined that the machinery and equipment purchased as
237 exempt under subparagraph 1. or subparagraph 2. did not meet the
238 criteria mandated by this paragraph or if commencement of
239 production did not occur, the amount of taxes exempted at the
240 time of purchase shall immediately be due and payable to the
241 department by the business entity, together with the appropriate
242 interest and penalty, computed from the date of purchase, in the
243 manner prescribed by this chapter.

244 d. In the event a qualifying business entity fails to
245 apply for a temporary exemption permit or if the tentative
246 determination by the department required to obtain a temporary
247 exemption permit is negative, a qualifying business entity shall
248 receive the exemption provided in subparagraph 1. or
249 subparagraph 2. through a refund of previously paid taxes. No
250 refund may be made for such taxes unless the criteria mandated
251 by subparagraph 1. or subparagraph 2. have been met and
252 commencement of production has occurred.

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253 4. The department shall adopt rules governing applications
254 for, issuance of, and the form of temporary tax exemption
255 permits; provisions for recapture of taxes; and the manner and
256 form of refund applications and may establish guidelines as to
257 the requisites for an affirmative showing of increased
258 productive output, commencement of production, and qualification
259 for exemption.

260 5. The exemptions provided in subparagraphs 1. and 2. do
261 not apply to machinery or equipment purchased or used by
262 electric utility companies, communications companies, oil or gas
263 exploration or production operations, publishing firms that do
264 not export at least 50 percent of their finished product out of
265 the state, any firm subject to regulation by the Division of
266 Hotels and Restaurants of the Department of Business and
267 Professional Regulation, or any firm which does not manufacture,
268 process, compound, or produce for sale items of tangible
269 personal property or which does not use such machinery and
270 equipment in spaceport activities as required by this paragraph.
271 The exemptions provided in subparagraphs 1. and 2. shall apply
272 to machinery and equipment purchased for use in phosphate or
273 other solid minerals severance, mining, or processing
274 operations.

275 6. For the purposes of the exemptions provided in
276 subparagraphs 1. and 2., these terms have the following
277 meanings:

278 a. "Industrial machinery and equipment" means tangible
279 personal property or other property that has a depreciable life
280 of 3 years or more and that is used as an integral part in the

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281 manufacturing, processing, compounding, or production of
282 tangible personal property for sale or is exclusively used in
283 spaceport activities. A building and its structural components
284 are not industrial machinery and equipment unless the building
285 or structural component is so closely related to the industrial
286 machinery and equipment that it houses or supports that the
287 building or structural component can be expected to be replaced
288 when the machinery and equipment are replaced. Heating and air-
289 conditioning systems are not industrial machinery and equipment
290 unless the sole justification for their installation is to meet
291 the requirements of the production process, even though the
292 system may provide incidental comfort to employees or serve, to
293 an insubstantial degree, nonproduction activities. The term
294 includes parts and accessories only to the extent that the
295 exemption thereof is consistent with the provisions of this
296 paragraph.

297 b. "Productive output" means the number of units actually
298 produced by a single plant, ~~or~~ operation, or product line in a
299 single continuous 12-month period, irrespective of sales.
300 Increases in productive output shall be measured by the output
301 for 12 continuous months selected by the expanding business
302 ~~immediately~~ following the completion of installation of such
303 machinery or equipment over the output for the 12 continuous
304 months immediately preceding such installation. ~~However, if a~~
305 ~~different 12-month continuous period of time would more~~
306 ~~accurately reflect the increase in productive output of~~
307 ~~machinery and equipment purchased to facilitate an expansion,~~
308 ~~the increase in productive output may be measured during that~~

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309 ~~12-month continuous period of time if such time period is~~
 310 ~~mutually agreed upon by the Department of Revenue and the~~
 311 ~~expanding business prior to the commencement of production;~~
 312 ~~provided,~~ However, in no case may such time period begin later
 313 than 2 years following the completion of installation of the new
 314 machinery and equipment. The units used to measure productive
 315 output shall be physically comparable between the two periods,
 316 irrespective of sales.

317 (g) Building materials used in the rehabilitation of real
 318 property located in an enterprise zone.—

319 1. Building materials used in the rehabilitation of real
 320 property located in an enterprise zone shall be exempt from the
 321 tax imposed by this chapter upon an affirmative showing to the
 322 satisfaction of the department that the items have been used for
 323 the rehabilitation of real property located in an enterprise
 324 zone. Except as provided in subparagraph 2., this exemption
 325 inures to the owner, lessee, or lessor of the rehabilitated real
 326 property located in an enterprise zone only through a refund of
 327 previously paid taxes. To receive a refund pursuant to this
 328 paragraph, the owner, lessee, or lessor of the rehabilitated
 329 real property located in an enterprise zone must file an
 330 application under oath with the governing body or enterprise
 331 zone development agency having jurisdiction over the enterprise
 332 zone where the business is located, as applicable, which
 333 includes:

- 334 a. The name and address of the person claiming the refund.
- 335 b. An address and assessment roll parcel number of the
- 336 rehabilitated real property in an enterprise zone for which a

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337 refund of previously paid taxes is being sought.

338 c. A description of the improvements made to accomplish
339 the rehabilitation of the real property.

340 d. A copy of the building permit issued for the
341 rehabilitation of the real property.

342 e. A sworn statement, under the penalty of perjury, from
343 the general contractor licensed in this state with whom the
344 applicant contracted to make the improvements necessary to
345 accomplish the rehabilitation of the real property, which
346 statement lists the building materials used in the
347 rehabilitation of the real property, the actual cost of the
348 building materials, and the amount of sales tax paid in this
349 state on the building materials. In the event that a general
350 contractor has not been used, the applicant shall provide this
351 information in a sworn statement, under the penalty of perjury.
352 Copies of the invoices which evidence the purchase of the
353 building materials used in such rehabilitation and the payment
354 of sales tax on the building materials shall be attached to the
355 sworn statement provided by the general contractor or by the
356 applicant. Unless the actual cost of building materials used in
357 the rehabilitation of real property and the payment of sales
358 taxes due thereon is documented by a general contractor or by
359 the applicant in this manner, the cost of such building
360 materials shall be an amount equal to 40 percent of the increase
361 in assessed value for ad valorem tax purposes.

362 f. The identifying number assigned pursuant to s. 290.0065
363 to the enterprise zone in which the rehabilitated real property
364 is located.

365 g. A certification by the local building code inspector
 366 that the improvements necessary to accomplish the rehabilitation
 367 of the real property are substantially completed.

368 h. Whether the business is a small business as defined by
 369 s. 288.703(1).

370 i. If applicable, the name and address of each permanent
 371 employee of the business, including, for each employee who is a
 372 resident of an enterprise zone, the identifying number assigned
 373 pursuant to s. 290.0065 to the enterprise zone in which the
 374 employee resides.

375 2. This exemption inures to a city, county, other
 376 governmental agency, or nonprofit community-based organization
 377 through a refund of previously paid taxes if the building
 378 materials used in the rehabilitation of real property located in
 379 an enterprise zone are paid for from the funds of a community
 380 development block grant, State Housing Initiatives Partnership
 381 Program, or similar grant or loan program. To receive a refund
 382 pursuant to this paragraph, a city, county, other governmental
 383 agency, or nonprofit community-based organization must file an
 384 application which includes the same information required to be
 385 provided in subparagraph 1. by an owner, lessee, or lessor of
 386 rehabilitated real property. In addition, the application must
 387 include a sworn statement signed by the chief executive officer
 388 of the city, county, other governmental agency, or nonprofit
 389 community-based organization seeking a refund which states that
 390 the building materials for which a refund is sought were paid
 391 for from the funds of a community development block grant, State
 392 Housing Initiatives Partnership Program, or similar grant or

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393 loan program.

394 3. Within 10 working days after receipt of an application,
395 the governing body or enterprise zone development agency shall
396 review the application to determine if it contains all the
397 information required pursuant to subparagraph 1. or subparagraph
398 2. and meets the criteria set out in this paragraph. The
399 governing body or agency shall certify all applications that
400 contain the information required pursuant to subparagraph 1. or
401 subparagraph 2. and meet the criteria set out in this paragraph
402 as eligible to receive a refund. If applicable, the governing
403 body or agency shall also certify if 20 percent of the employees
404 of the business are residents of an enterprise zone, excluding
405 temporary and part-time employees. The certification shall be in
406 writing, and a copy of the certification shall be transmitted to
407 the executive director of the Department of Revenue. The
408 applicant shall be responsible for forwarding a certified
409 application to the department within the time specified in
410 subparagraph 4.

411 4. An application for a refund pursuant to this paragraph
412 must be submitted to the department within 6 months after the
413 rehabilitation of the property is deemed to be substantially
414 completed by the local building code inspector or by September 1
415 after the rehabilitated property is first subject to assessment.

416 5. Not more than one exemption through a refund of
417 previously paid taxes for the rehabilitation of real property
418 shall be permitted for any single parcel of property unless
419 there is a change in ownership, a new lessor, or a new lessee of
420 the real property. No refund shall be granted pursuant to this

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421 paragraph unless the amount to be refunded exceeds \$500. No
422 refund granted pursuant to this paragraph shall exceed the
423 lesser of 97 percent of the Florida sales or use tax paid on the
424 cost of the building materials used in the rehabilitation of the
425 real property as determined pursuant to sub-subparagraph 1.e. or
426 \$5,000, or, if no less than 20 percent of the employees of the
427 business are residents of an enterprise zone, excluding
428 temporary and part-time employees, the amount of refund granted
429 pursuant to this paragraph shall not exceed the lesser of 97
430 percent of the sales tax paid on the cost of such building
431 materials or \$10,000. A refund approved pursuant to this
432 paragraph shall be made within 30 days of formal approval by the
433 department of the application for the refund. This subparagraph
434 shall apply retroactively to July 1, 2005.

435 6. The department shall adopt rules governing the manner
436 and form of refund applications and may establish guidelines as
437 to the requisites for an affirmative showing of qualification
438 for exemption under this paragraph.

439 7. The department shall deduct an amount equal to 10
440 percent of each refund granted under the provisions of this
441 paragraph from the amount transferred into the Local Government
442 Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20
443 for the county area in which the rehabilitated real property is
444 located and shall transfer that amount to the General Revenue
445 Fund.

446 8. For the purposes of the exemption provided in this
447 paragraph:

448 a. "Building materials" means tangible personal property

449 | which becomes a component part of improvements to real property.

450 | b. "Real property" has the same meaning as provided in s.
451 | 192.001(12), except that the term does not include a condominium
452 | parcel or condominium property as defined in s. 718.103.

453 | c. "Rehabilitation of real property" means the
454 | reconstruction, renovation, restoration, rehabilitation,
455 | construction, or expansion of improvements to real property.

456 | d. "Substantially completed" has the same meaning as
457 | provided in s. 192.042(1).

458 | 9. This paragraph expires on the date specified in s.
459 | 290.016 for the expiration of the Florida Enterprise Zone Act.

460 | Section 3. Section 288.0659, Florida Statutes, is created
461 | to read:

462 | 288.0659 Local Government Distressed Area Matching Grant
463 | Program.—

464 | (1) The Local Government Distressed Area Matching Grant
465 | Program is created within the Office of Tourism, Trade, and
466 | Economic Development. The purpose of the program is to stimulate
467 | investment in the state's economy by providing grants to match
468 | demonstrated business assistance by local governments to attract
469 | and retain businesses in this state.

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

471 | (a) "Local government" means a county or municipality.

472 | (b) "Office" means the Office of Tourism, Trade, and
473 | Economic Development.

474 | (c) "Qualified business assistance" means economic
475 | incentives provided by a local government for the purpose of
476 | attracting or retaining a specific business, including, but not

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477 limited to, suspensions, waivers, or reductions of impact fees
478 or permit fees; direct incentive payments; expenditures for
479 onsite or offsite improvements directly benefiting a specific
480 business; or construction or renovation of buildings for a
481 specific business.

482 (3) The office may accept and administer moneys
483 appropriated to the office for providing grants to match
484 expenditures by local governments to attract or retain
485 businesses in this state.

486 (4) A local government may apply for grants to match
487 qualified business assistance made by the local government for
488 the purpose of attracting or retaining a specific business. A
489 local government may apply for no more than one grant per
490 targeted business. A local government may only have one
491 application pending with the office. Additional applications may
492 be filed after a previous application has been approved or
493 denied.

494 (5) To qualify for a grant, the business being targeted by
495 a local government must create at least 15 full-time jobs, must
496 be new to this state, must be expanding its operations in this
497 state, or would otherwise leave the state absent state and local
498 assistance, and the local government applying for the grant must
499 expedite its permitting processes for the target business by
500 accelerating the normal review and approval timelines. In
501 addition to these requirements, the office shall review the
502 grant requests using the following evaluation criteria, with
503 priority given in descending order:

504 (a) The presence and degree of pervasive poverty,

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505 unemployment, and general distress as determined pursuant to s.
506 290.0058 in the area where the business will locate, with
507 priority given to locations with greater degrees of poverty,
508 unemployment, and general distress.

509 (b) The extent of reliance on the local government
510 expenditure as an inducement for the business's location
511 decision, with priority given to higher levels of local
512 government expenditure.

513 (c) The number of new full-time jobs created, with
514 priority given to higher numbers of jobs created.

515 (d) The average hourly rate of wages for jobs created,
516 with priority given to higher average wages.

517 (e) The amount of capital investment to be made by the
518 business, with priority given to higher amounts of capital
519 investment.

520 (6) In evaluating grant requests, the office shall take
521 into consideration the need for grant assistance as it relates
522 to the local government's general fund balance as well as local
523 incentive programs that are already in existence.

524 (7) Funds made available pursuant to this section may not
525 be expended in connection with the relocation of a business from
526 one community to another community in this state unless the
527 office determines that without such relocation the business will
528 move outside this state or determines that the business has a
529 compelling economic rationale for the relocation which creates
530 additional jobs. Funds made available pursuant to this section
531 may not be used by the receiving local government to supplant
532 matching commitments required of the local government pursuant

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533 to other state or federal incentive programs.

534 (8) Within 30 days after the office receives an
535 application for a grant, the office shall approve a preliminary
536 grant allocation or disapprove the application. The preliminary
537 grant allocation shall be based on estimates of qualified
538 business assistance submitted by the local government and shall
539 equal 50 percent of the amount of the estimated qualified
540 business assistance or \$50,000, whichever is less. The
541 preliminary grant allocation shall be executed by contract with
542 the local government. The contract shall set forth the terms and
543 conditions, including the timeframes within which the final
544 grant award will be disbursed. The final grant award may not
545 exceed the preliminary grant allocation. The office may approve
546 preliminary grant allocations only to the extent that funds are
547 appropriated for such grants by the Legislature.

548 (a) Preliminary grant allocations that are revoked or
549 voluntarily surrendered shall be immediately available for
550 reallocation.

551 (b) Recipients of preliminary grant allocations shall
552 promptly report to the office the date on which the local
553 government's permitting and approval process is completed and
554 the date on which all qualified business assistance are
555 completed.

556 (9) The office shall make a final grant award to a local
557 government within 30 days after receiving information from the
558 local government sufficient to demonstrate actual qualified
559 business assistance. An awarded grant amount shall equal 50
560 percent of the amount of the qualified business assistance or

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561 \$50,000, whichever is less, and may not exceed the preliminary
562 grant allocation. The amount by which a preliminary grant
563 allocation exceeds a final grant award shall be immediately
564 available for reallocation.

565 (10) The office may retain funds, not to exceed 2 percent
566 of the funds made available pursuant to this section, for direct
567 administrative costs associated with this section.

568 Section 4. There is appropriated for the 2010-2011 state
569 fiscal year to the Office of Tourism, Trade, and Economic
570 Development within the Executive Office of the Governor:

571 (1) The sum of \$5 million in nonrecurring general revenue
572 and \$5 million in recurring general revenue for Space Florida to
573 address financing, business development, and infrastructure
574 needs to assist in the continued development of the aerospace
575 industry in this state and management of state-of-the-art
576 facilities for space businesses that will create high-
577 technology, high-wage-earning jobs.

578 (2) The sum of \$3.2 million in nonrecurring general
579 revenue exclusively for Space Florida to retrain workers as the
580 result of the retirement of the Space Shuttle Program.

581 (3) The sum of \$2 million in nonrecurring general revenue
582 to provide local government distressed area matching grants
583 pursuant to s. 288.0659, Florida Statutes. Notwithstanding s.
584 216.301, Florida Statutes, and pursuant to s. 216.351, Florida
585 Statutes, any funds remaining from this appropriation as of June
586 30, 2011, shall remain available for carrying out the purpose of
587 s. 288.0659, Florida Statutes.

588 Section 5. This act shall take effect July 1, 2010.