

1 A bill to be entitled
2 An act relating to energy economic zones; amending s.
3 163.32465, F.S.; including energy economic zones in the
4 pilot program implementing an alternative state review
5 process; amending s. 212.08, F.S.; exempting certain
6 machinery and equipment used in the production of
7 renewable energy in an energy economic zone from the tax
8 on sales, use, and other transactions; authorizing the
9 Department of Revenue to adopt rules; exempting certain
10 building materials used in the rehabilitation of real
11 property located in an energy economic zone from the tax
12 on sales, use, and other transactions; authorizing the
13 Department of Revenue to adopt rules; providing for
14 expiration of the tax exemption for energy economic zones;
15 exempting certain business property used in an energy
16 economic zone from the tax on sales, use, and other
17 transactions; authorizing the Department of Revenue to
18 adopt rules; providing for expiration of the tax exemption
19 for energy economic zones; exempting electrical energy
20 used in an energy economic zone from the tax on sales,
21 use, and other transactions; providing for expiration of
22 the tax exemption for energy economic zones; amending s.
23 212.096, F.S.; providing a credit against sales tax for
24 eligible businesses in energy economic zones; providing
25 the method of calculating the credit; requiring the local
26 governing body to develop an application form; providing
27 criteria; authorizing the local governing body to review
28 and approve completed applications submitted by eligible

29 | businesses; amending s. 220.181, F.S.; providing a credit
30 | against income tax for eligible businesses that create
31 | jobs in an energy economic zone; providing criteria for
32 | qualifying jobs; providing the method of calculating the
33 | credit; requiring the local governing body to develop an
34 | application form; authorizing the local governing body to
35 | review and approve completed applications submitted by
36 | eligible businesses; providing for expiration of the tax
37 | credit; amending s. 220.182, F.S.; providing a credit
38 | against property tax for eligible businesses in an energy
39 | economic zone; providing the method of calculating the
40 | credit; requiring the local governing body to develop an
41 | application form; authorizing the local governing body to
42 | review and approve completed applications submitted by
43 | eligible businesses; providing for expiration of the tax
44 | credit; amending s. 220.183, F.S.; including a local
45 | governing body having jurisdiction of an energy economic
46 | zone as an eligible sponsor under community contribution
47 | tax credits; expanding the eligibility criteria to include
48 | location in an area designated as an energy economic zone;
49 | amending s. 288.047, F.S.; including energy economic zones
50 | in the Workforce Florida, Inc., Quick-Response Training
51 | Program; amending s. 288.063, F.S.; expanding the criteria
52 | by which transportation projects are reviewed and
53 | certified by the Office of Tourism, Trade, and Economic
54 | Development to include projects located in an energy
55 | economic zone; amending s. 288.106, F.S.; including the
56 | term "energy economic zone" in the definitions that apply

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57 | to tax refund programs for qualified target industry
58 | businesses; revising the definition of the term "target
59 | industry business" to include certain businesses in energy
60 | economic zones; providing for a business that is otherwise
61 | excluded from designation as a target industry business to
62 | qualify upon approval pursuant to local ordinance; waiving
63 | certain minimum average wage requirements for target
64 | industry businesses located in an energy economic zone;
65 | excluding qualified target industry businesses within an
66 | energy economic zone from the minimum average wage
67 | requirements; amending s. 377.809, F.S.; extending to
68 | February 15, 2015, the deadline for submission by the
69 | Department of Community Affairs of its report evaluating
70 | the energy economic zone pilot program; expanding the
71 | Energy Economic Zone Pilot Program to provide fiscal and
72 | regulatory incentives for eligible businesses; providing
73 | criteria for receiving fiscal and regulatory incentives;
74 | allowing public utilities to grant certain discounts to
75 | small businesses located in an energy economic zone;
76 | providing for additional incentives; giving priority
77 | ranking to certain business located in energy economic
78 | zones for grants administered by the Florida Energy and
79 | Climate Commission or for other grants or programs;
80 | clarifying terms relating to energy economic zone
81 | eligibility criteria; requiring the local governing body
82 | to certify to the Department of Revenue, the Department of
83 | Community Affairs, and the Office of Tourism, Trade, and
84 | Economic Development the pilot community's developments

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

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85 and businesses eligible for the incentives in specified
 86 circumstances; authorizing the local governing body to
 87 revise boundaries of the energy economic zone in specified
 88 circumstances; requiring a community within an energy
 89 economic zone pilot program to adopt an ordinance
 90 authorizing certain tax incentives; providing additional
 91 criteria that may be included in the ordinance; limiting
 92 the amount of tax incentives available; providing
 93 circumstances and criteria for the transfer of tax
 94 credits; amending s. 445.003, F.S.; specifying eligibility
 95 for reimbursement grants under the Incumbent Worker
 96 Training Program to businesses in an energy economic zone;
 97 amending s. 220.191, F.S.; conforming a cross-reference;
 98 providing an effective date.

99

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

101

102 Section 1. Subsection (2) of section 163.32465, Florida
 103 Statutes, is amended to read:

104 163.32465 State review of local comprehensive plans in
 105 urban areas.—

106 (2) ALTERNATIVE STATE REVIEW PROCESS PILOT PROGRAM.—
 107 Pinellas and Broward Counties~~7~~ and the municipalities within
 108 these counties, ~~and~~ Jacksonville, Miami, Tampa, and Hialeah, and
 109 areas designated as energy economic zones created under s.
 110 377.809 shall follow an alternative state review process
 111 provided in this section. Municipalities within the pilot
 112 counties may elect, by super majority vote of the governing

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113 body, not to participate in the pilot program. In addition to
 114 the pilot program jurisdictions, any local government may use
 115 the alternative state review process to designate an urban
 116 service area as defined in s. 163.3164(29) in its comprehensive
 117 plan.

118 Section 2. Paragraphs (c), (g), and (h) of subsection (5)
 119 and subsection (15) of section 212.08, Florida Statutes, are
 120 amended to read:

121 212.08 Sales, rental, use, consumption, distribution, and
 122 storage tax; specified exemptions.—The sale at retail, the
 123 rental, the use, the consumption, the distribution, and the
 124 storage to be used or consumed in this state of the following
 125 are hereby specifically exempt from the tax imposed by this
 126 chapter.

127 (5) EXEMPTIONS; ACCOUNT OF USE.—

128 (c) *Machinery and equipment used in production of*
 129 *electrical or steam energy or production of renewable energy in*
 130 *an energy economic zone pursuant to s. 377.809.*—

131 1. The purchase of machinery and equipment for use at a
 132 fixed location which machinery and equipment are necessary in
 133 the production of electrical or steam energy resulting from the
 134 burning of boiler fuels other than residual oil or the
 135 production of renewable energy in an energy economic zone
 136 eligible under s. 377.809 is exempt from the tax imposed by this
 137 chapter. Such electrical, ~~or steam,~~ or renewable energy must be
 138 primarily for use in manufacturing, processing, compounding, or
 139 producing for sale items of tangible personal property in this
 140 state. Use of a de minimis amount of residual fuel to facilitate

141 the burning of nonresidual fuel shall not reduce the exemption
 142 otherwise available under this paragraph.

143 2. In facilities where machinery and equipment are
 144 necessary to burn both residual and nonresidual fuels, the
 145 exemption shall be prorated. Such proration shall be based upon
 146 the production of electrical or steam energy from nonresidual
 147 fuels as a percentage of electrical or steam energy from all
 148 fuels. If it is determined that 15 percent or less of all
 149 electrical or steam energy generated was produced by burning
 150 residual fuel, the full exemption shall apply. Purchasers
 151 claiming a partial exemption shall obtain such exemption by
 152 refund of taxes paid, or as otherwise provided in the
 153 department's rules.

154 3. The department may adopt rules that provide for
 155 implementation of this exemption. Purchasers of machinery and
 156 equipment qualifying for the exemption provided in this
 157 paragraph shall furnish the vendor with an affidavit stating
 158 that the item or items to be exempted are for the use designated
 159 by this paragraph herein. Any person furnishing a false
 160 affidavit to the vendor for the purpose of evading payment of
 161 any tax imposed under this chapter shall be subject to the
 162 penalty set forth in s. 212.085 and as otherwise provided by
 163 law. Purchasers with self-accrual authority shall maintain all
 164 documentation necessary to prove the exempt status of purchases.

165 (g) *Building materials used in the rehabilitation of real*
 166 *property located in an enterprise zone or an energy economic*
 167 *zone*.—

168 1. Building materials used in the rehabilitation of real

169 | property located in an enterprise zone or in an energy economic
 170 | zone, as defined by ordinance pursuant to s. 377.809, are exempt
 171 | from the tax imposed by this chapter upon an affirmative showing
 172 | to the satisfaction of the department that the items have been
 173 | used for the rehabilitation of real property located in an
 174 | enterprise zone or an energy economic zone. Except as provided
 175 | in subparagraph 2., this exemption inures to the owner, lessee,
 176 | or lessor at the time the real property is rehabilitated, but
 177 | only through a refund of previously paid taxes. To receive a
 178 | refund pursuant to this paragraph, the owner, lessee, or lessor
 179 | of the rehabilitated real property must file an application
 180 | under oath with the governing body or enterprise zone
 181 | development agency having jurisdiction over the enterprise zone
 182 | or energy economic zone where the business is located, as
 183 | applicable. A single application for a refund may be submitted
 184 | for multiple, contiguous parcels that were part of a single
 185 | parcel that was divided as part of the rehabilitation of the
 186 | property. All other requirements of this paragraph apply to each
 187 | parcel on an individual basis. The application must include:
 188 | a. The name and address of the person claiming the refund.
 189 | b. An address and assessment roll parcel number of the
 190 | rehabilitated real property for which a refund of previously
 191 | paid taxes is being sought.
 192 | c. A description of the improvements made to accomplish
 193 | the rehabilitation of the real property.
 194 | d. A copy of a valid building permit issued by the county
 195 | or municipal building department for the rehabilitation of the
 196 | real property.

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197 e. A sworn statement, under penalty of perjury, from the
198 general contractor licensed in this state with whom the
199 applicant contracted to make the improvements necessary to
200 rehabilitate the real property, which lists the building
201 materials used to rehabilitate the real property, the actual
202 cost of the building materials, and the amount of sales tax paid
203 in this state on the building materials. If a general contractor
204 was not used, the applicant, not a general contractor, shall
205 make the sworn statement required by this sub-subparagraph.
206 Copies of the invoices that evidence the purchase of the
207 building materials used in the rehabilitation and the payment of
208 sales tax on the building materials must be attached to the
209 sworn statement provided by the general contractor or by the
210 applicant. Unless the actual cost of building materials used in
211 the rehabilitation of real property and the payment of sales
212 taxes is documented by a general contractor or by the applicant
213 in this manner, the cost of the building materials is deemed to
214 be an amount equal to 40 percent of the increase in assessed
215 value for ad valorem tax purposes.

216 f. The identifying number assigned pursuant to s. 290.0065
217 to the enterprise zone or the location of the energy economic
218 zone in which the rehabilitated real property is located.

219 g. A certification by the local building code inspector
220 that the improvements necessary to rehabilitate the real
221 property are substantially completed.

222 h. A statement of whether the business is a small business
223 as defined by s. 288.703(1).

224 i. If applicable, the name and address of each permanent

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225 employee of the business, including, for each employee who is a
226 resident of an enterprise zone or an energy economic zone, the
227 identifying number assigned pursuant to s. 290.0065 to the
228 enterprise zone in which the employee resides.

229 2. This exemption inures to a municipality, county, other
230 governmental unit or agency, or nonprofit community-based
231 organization through a refund of previously paid taxes if the
232 building materials used in the rehabilitation are paid for from
233 the funds of a community development block grant, State Housing
234 Initiatives Partnership Program, or similar grant or loan
235 program. To receive a refund, a municipality, county, other
236 governmental unit or agency, or nonprofit community-based
237 organization must file an application that includes the same
238 information required in subparagraph 1. In addition, the
239 application must include a sworn statement signed by the chief
240 executive officer of the municipality, county, other
241 governmental unit or agency, or nonprofit community-based
242 organization seeking a refund which states that the building
243 materials for which a refund is sought were funded by a
244 community development block grant, State Housing Initiatives
245 Partnership Program, or similar grant or loan program.

246 3. Within 10 working days after receipt of an application,
247 the governing body or enterprise zone development agency shall
248 review the application to determine if it contains all the
249 information required by subparagraph 1. or subparagraph 2. and
250 meets the criteria set out in this paragraph. The governing body
251 or agency shall certify all applications that contain the
252 required information and are eligible to receive a refund. If

253 applicable, the governing body or agency shall also certify if
254 20 percent of the employees of the business are residents of an
255 enterprise zone, excluding temporary and part-time employees.
256 The certification must be in writing, and a copy of the
257 certification shall be transmitted to the executive director of
258 the department. The applicant is responsible for forwarding a
259 certified application to the department within the time
260 specified in subparagraph 4.

261 4. An application for a refund must be submitted to the
262 department within 6 months after the rehabilitation of the
263 property is deemed to be substantially completed by the local
264 building code inspector or by November 1 after the rehabilitated
265 property is first subject to assessment.

266 5. Only one exemption through a refund of previously paid
267 taxes for the rehabilitation of real property is permitted for
268 any single parcel of property unless there is a change in
269 ownership, a new lessor, or a new lessee of the real property. A
270 refund may not be granted unless the amount to be refunded
271 exceeds \$500. A refund may not exceed the lesser of 97 percent
272 of the Florida sales or use tax paid on the cost of the building
273 materials used in the rehabilitation of the real property as
274 determined pursuant to sub-subparagraph 1.e. or \$5,000, or, if
275 at least 20 percent of the employees of the business are
276 residents of an enterprise zone, excluding temporary and part-
277 time employees, the amount of refund may not exceed the lesser
278 of 97 percent of the sales tax paid on the cost of the building
279 materials or \$10,000. A refund shall be made within 30 days
280 after formal approval by the department of the application for

281 the refund.

282 6. The department shall adopt rules governing the manner
 283 and form of refund applications and may establish guidelines as
 284 to the requisites for an affirmative showing of qualification
 285 for exemption under this paragraph.

286 7. The department shall deduct an amount equal to 10
 287 percent of each refund granted under this paragraph from the
 288 amount transferred into the Local Government Half-cent Sales Tax
 289 Clearing Trust Fund pursuant to s. 212.20 for the county area in
 290 which the rehabilitated real property is located and shall
 291 transfer that amount to the General Revenue Fund.

292 8. For the purposes of the exemption provided in this
 293 paragraph, the term:

294 a. "Building materials" means tangible personal property
 295 that becomes a component part of improvements to real property.

296 b. "Real property" has the same meaning as provided in s.
 297 192.001(12), except that the term does not include a condominium
 298 parcel or condominium property as defined in s. 718.103.

299 c. "Rehabilitation of real property" means the
 300 reconstruction, renovation, restoration, rehabilitation,
 301 construction, or expansion of improvements to real property.

302 d. "Substantially completed" has the same meaning as
 303 provided in s. 192.042(1).

304 9. This paragraph expires on the date specified in s.
 305 290.016 for the expiration of the Florida Enterprise Zone Act
 306 or, as it relates to energy economic zones, the date specified
 307 in s. 377.809, if the Legislature repeals the Energy Economic
 308 Zone Pilot Program.

309 (h) *Business property used in an enterprise zone or an*
 310 *energy economic zone.*—

311 1. Business property purchased for use by businesses
 312 located in an enterprise zone or in an energy economic zone that
 313 is deemed eligible by ordinance pursuant to s. 377.809 which is
 314 subsequently used in an enterprise zone or an energy economic
 315 zone shall be exempt from the tax imposed by this chapter. This
 316 exemption inures to the business only through a refund of
 317 previously paid taxes. A refund shall be authorized upon an
 318 affirmative showing by the taxpayer to the satisfaction of the
 319 department that the requirements of this paragraph have been
 320 met.

321 2. To receive a refund, the business must file under oath
 322 with the governing body or enterprise zone development agency
 323 having jurisdiction over the enterprise zone or the energy
 324 economic zone where the business is located, as applicable, an
 325 application that ~~which~~ includes:

326 a. The name and address of the business claiming the
 327 refund.

328 b. The identifying number assigned pursuant to s. 290.0065
 329 to the enterprise zone in which the business is located or the
 330 location of the energy economic zone.

331 c. A specific description of the property for which a
 332 refund is sought, including its serial number or other permanent
 333 identification number, if applicable.

334 d. The location of the property.

335 e. The sales invoice or other proof of purchase of the
 336 property, showing the amount of sales tax paid, the date of

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337 purchase, and the name and address of the sales tax dealer from
338 whom the property was purchased.

339 f. Whether the business is a small business as defined by
340 s. 288.703(1).

341 g. If applicable, the name and address of each permanent
342 employee of the business, including, for each employee who is a
343 resident of an enterprise zone or an energy economic zone, the
344 identifying number assigned pursuant to s. 290.0065 to the
345 enterprise zone in which the employee resides.

346 3. Within 10 working days after receipt of an application,
347 the governing body or enterprise zone development agency shall
348 review the application to determine if it contains all the
349 information required pursuant to subparagraph 2. and meets the
350 criteria set out in this paragraph. The governing body or agency
351 shall certify all applications that contain the information
352 required pursuant to subparagraph 2. and meet the criteria set
353 out in this paragraph as eligible to receive a refund. If
354 applicable, the governing body or agency shall also certify if
355 20 percent of the employees of the business are residents of an
356 enterprise zone, excluding temporary and part-time employees.
357 The certification shall be in writing, and a copy of the
358 certification shall be transmitted to the executive director of
359 the Department of Revenue. The business shall be responsible for
360 forwarding a certified application to the department within the
361 time specified in subparagraph 4.

362 4. An application for a refund pursuant to this paragraph
363 must be submitted to the department within 6 months after the
364 tax is due on the business property that is purchased.

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365 5. The amount refunded on purchases of business property
366 under this paragraph shall be the lesser of 97 percent of the
367 sales tax paid on such business property or \$5,000, or, if no
368 less than 20 percent of the employees of the business are
369 residents of an enterprise zone, excluding temporary and part-
370 time employees, the amount refunded on purchases of business
371 property under this paragraph shall be the lesser of 97 percent
372 of the sales tax paid on such business property or \$10,000. A
373 refund approved pursuant to this paragraph shall be made within
374 30 days of formal approval by the department of the application
375 for the refund. No refund shall be granted under this paragraph
376 unless the amount to be refunded exceeds \$100 in sales tax paid
377 on purchases made within a 60-day time period.

378 6. The department shall adopt rules governing the manner
379 and form of refund applications and may establish guidelines as
380 to the requisites for an affirmative showing of qualification
381 for exemption under this paragraph.

382 7. If the department determines that the business property
383 is used outside an enterprise zone within 3 years from the date
384 of purchase, the amount of taxes refunded to the business
385 purchasing such business property shall immediately be due and
386 payable to the department by the business, together with the
387 appropriate interest and penalty, computed from the date of
388 purchase, in the manner provided by this chapter.

389 Notwithstanding this subparagraph, business property used
390 exclusively in:

- 391 a. Licensed commercial fishing vessels,
392 b. Fishing guide boats, or

393 c. Ecotourism guide boats
 394
 395 that leave and return to a fixed location within an area
 396 designated under s. 379.2353 are eligible for the exemption
 397 provided under this paragraph if all requirements of this
 398 paragraph are met. Such vessels and boats must be owned by a
 399 business that is eligible to receive the exemption provided
 400 under this paragraph. This exemption does not apply to the
 401 purchase of a vessel or boat.

402 8. The department shall deduct an amount equal to 10
 403 percent of each refund granted under the provisions of this
 404 paragraph from the amount transferred into the Local Government
 405 Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20
 406 for the county area in which the business property is located
 407 and shall transfer that amount to the General Revenue Fund.

408 9. For the purposes of this exemption, "business property"
 409 means new or used property defined as "recovery property" in s.
 410 168(c) of the Internal Revenue Code of 1954, as amended, except:

- 411 a. Property classified as 3-year property under s.
 412 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;
- 413 b. Industrial machinery and equipment as defined in sub-
 414 subparagraph (b)6.a. and eligible for exemption under paragraph
 415 (b);
- 416 c. Building materials as defined in sub-subparagraph
 417 (g)8.a.; and
- 418 d. Business property having a sales price of under \$5,000
 419 per unit.

420 10. This paragraph expires on the date specified in s.

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421 290.016 for the expiration of the Florida Enterprise Zone Act
 422 or, as it relates to energy economic zones, the date specified
 423 in s. 377.809, if the Legislature repeals the Energy Economic
 424 Zone Pilot Program.

425 (15) ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE OR
 426 ENERGY ECONOMIC ZONE.—

427 (a) Beginning July 1, 1995, charges for electrical energy
 428 used by a qualified business at a fixed location in an
 429 enterprise zone in a municipality that ~~which~~ has enacted an
 430 ordinance pursuant to s. 166.231(8) which provides for exemption
 431 of municipal utility taxes on such businesses, or ~~or~~ in an
 432 enterprise zone jointly authorized by a county and a
 433 municipality that ~~which~~ has enacted an ordinance pursuant to s.
 434 166.231(8) which provides for exemption of municipal utility
 435 taxes on such businesses, or in an energy economic zone as
 436 defined by ordinance pursuant to s. 377.809 shall receive an
 437 exemption equal to 50 percent of the tax imposed by this
 438 chapter, or, if no less than 20 percent of the employees of the
 439 business are residents of an enterprise zone, excluding
 440 temporary and part-time employees, the exemption shall be equal
 441 to 100 percent of the tax imposed by this chapter. A qualified
 442 business may receive such exemption for a period of 5 years from
 443 the billing period beginning not more than 30 days following
 444 notification to the applicable utility company by the department
 445 that an exemption has been authorized pursuant to this
 446 subsection and s. 166.231(8).

447 (b) To receive this exemption, a business must file an
 448 application, with the enterprise zone or local governing body

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449 development agency having jurisdiction over the enterprise zone
450 or the energy economic zone where the business is located, on a
451 form provided by the department for the purposes of this
452 subsection and s. 166.231(8). The application shall be made
453 under oath and shall include:

454 1. The name and location of the business.

455 2. The identifying number assigned pursuant to s. 290.0065
456 to the enterprise zone in which the business is located or
457 location of the energy economic zone.

458 3. The date on which electrical service is to be first
459 initiated to the business.

460 4. The name and mailing address of the entity from which
461 electrical energy is to be purchased.

462 5. The date of the application.

463 6. The name of the city in which the business is located.

464 7. If applicable, the name and address of each permanent
465 employee of the business including, for each employee who is a
466 resident of an enterprise zone or an energy economic zone, the
467 identifying number assigned pursuant to s. 290.0065 to the
468 enterprise zone in which the employee resides.

469 8. Whether the business is a small business as defined by
470 s. 288.703(1).

471 (c) Within 10 working days after receipt of an
472 application, the enterprise zone development agency or the local
473 governing body shall review the application to determine if it
474 contains all information required pursuant to paragraph (b) and
475 meets the criteria set out in this subsection. The agency shall
476 certify all applications that contain the information required

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477 pursuant to paragraph (b) and meet the criteria set out in this
478 subsection as eligible to receive an exemption. If applicable,
479 the agency shall also certify if 20 percent of the employees of
480 the business are residents of an enterprise zone, excluding
481 temporary and part-time employees. The certification shall be in
482 writing, and a copy of the certification shall be transmitted to
483 the executive director of the Department of Revenue. The
484 applicant shall be responsible for forwarding a certified
485 application to the department within 6 months after the
486 occurrence of the appropriate qualifying provision set out in
487 paragraph (f).

488 (d) If, in a subsequent audit conducted by the department,
489 it is determined that the business did not meet the criteria
490 mandated in this subsection, the amount of taxes exempted shall
491 immediately be due and payable to the department by the
492 business, together with the appropriate interest and penalty,
493 computed from the due date of each bill for the electrical
494 energy purchased as exempt under this subsection, in the manner
495 prescribed by this chapter.

496 (e) The department shall adopt rules governing
497 applications for, issuance of, and the form of applications for
498 the exemption for enterprise zones authorized in this subsection
499 and provisions for recapture of taxes exempted under this
500 subsection, and the department may establish guidelines as to
501 qualifications for exemption. For energy economic zones, the
502 local governing body shall develop an application for approval
503 by the Department of Revenue.

504 (f) For the purpose of the exemption provided in this

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505 subsection, the term "qualified business" means a business that
506 ~~which~~ is:

507 1. First occupying a new structure to which electrical
508 service, other than that used for construction purposes, has not
509 been previously provided or furnished;

510 2. Newly occupying an existing, remodeled, renovated, or
511 rehabilitated structure to which electrical service, other than
512 that used for remodeling, renovation, or rehabilitation of the
513 structure, has not been provided or furnished in the three
514 preceding billing periods; or

515 3. Occupying a new, remodeled, rebuilt, renovated, or
516 rehabilitated structure for which a refund has been granted
517 pursuant to paragraph (5) (g).

518 (g) This subsection expires on the date specified in s.
519 290.016 for the expiration of the Florida Enterprise Zone Act
520 or, as it relates to energy economic zones, the date specified
521 in s. 377.809, if the Legislature repeals the Energy Economic
522 Zone Pilot Program, except that:

523 1. Paragraph (d) shall not expire; and

524 2. Any qualified business that ~~which~~ has been granted an
525 exemption under this subsection prior to that date shall be
526 allowed the full benefit of this exemption as if this subsection
527 had not expired on that date.

528 Section 3. Present subsection (12) of section 212.096,
529 Florida Statutes, is renumbered as subsection (13), and a new
530 subsection (12) is added to that section, to read:

531 212.096 Sales, rental, storage, use tax; enterprise zone
532 jobs credit against sales tax.—

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533 (12) The tax credit authorized in this section may be used
534 by eligible businesses in an energy economic zone created under
535 s. 377.809. The credit must be calculated pursuant to subsection
536 (2), except that, for purposes of the energy economic zone, the
537 employee residency requirements apply to employees who are
538 residents of an enterprise zone or an energy economic zone. The
539 local governing body of the energy economic zone shall develop
540 an application in consultation with the Department of Revenue
541 which must include the applicable information required in
542 subsection (3). An eligible business must submit the completed
543 application to the local governing body that is responsible for
544 review and certification as provided in this section, and all
545 other provisions of this section apply.

546 Section 4. Present subsection (9) of section 220.181,
547 Florida Statutes, is amended and renumbered as subsection (10),
548 and a new subsection (9) is added to that section, to read:

549 220.181 Enterprise zone jobs credit.—

550 (9) The tax credit authorized in this section is available
551 to eligible businesses in an energy economic zone created under
552 s. 377.809. The credit must be calculated pursuant to subsection
553 (1), except that, for purposes of the energy economic zone, the
554 employee residency requirements apply to employees who are
555 residents of an enterprise zone or an energy economic zone. The
556 local governing body of the energy economic zone shall develop
557 an application in consultation with the Department of Revenue
558 which must include the applicable information required in
559 subsection (2). A business must submit the completed application
560 to the local governing body that is responsible for review and

561 certification as provided in this section and all other
 562 provisions of this section apply.

563 (10)-(9) This section, except paragraph (1) (c) and
 564 subsection (8), expires on the date specified in s. 290.016 for
 565 the expiration of the Florida Enterprise Zone Act or, as it
 566 relates to energy economic zones, the date provided in s.
 567 377.809, if the Legislature repeals the Energy Economic Zone
 568 Pilot Program, and a business may not begin claiming the
 569 enterprise zone or energy economic zone jobs credit after the
 570 applicable ~~that~~ date; however, the expiration of this section
 571 does not affect the operation of any credit for which a business
 572 has qualified under this section before that date, or any
 573 carryforward of unused credit amounts as provided in paragraph
 574 (1) (c).

575 Section 5. Present subsection (14) of section 220.182,
 576 Florida Statutes, is amended and renumbered as subsection (15),
 577 and a new subsection (14) is added to that section, to read:

578 220.182 Enterprise zone property tax credit.—

579 (14) The tax credit authorized in this section is
 580 available to eligible businesses in an energy economic zone
 581 created pursuant to s. 377.809. The credit must be calculated
 582 pursuant to subsection (1), except that, for purposes of the
 583 energy economic zone, the employee residency requirements apply
 584 to employees who are residents of an enterprise zone or an
 585 energy economic zone. The local governing body of the energy
 586 economic zone shall develop an application in consultation with
 587 the Department of Revenue which must include the information
 588 required in subsection (11). A business must submit the

589 completed application to the local governing body that is
 590 responsible for review and certification as provided in this
 591 section, and all other provisions of this section apply.

592 ~~(15)-(14)~~ This section expires on the date specified in s.
 593 290.016 for the expiration of the Florida Enterprise Zone Act
 594 or, as it relates to energy economic zones, the date specified
 595 in s. 377.809, if the Legislature repeals the Energy Economic
 596 Zone Pilot Program, and a business may not begin claiming the
 597 enterprise zone or energy economic zone property tax credit
 598 after the applicable ~~that~~ date; however, the expiration of this
 599 section does not affect the operation of any credit for which a
 600 business has qualified under this section before that date, or
 601 any carryforward of unused credit amounts as provided in
 602 paragraph (1) (b).

603 Section 6. Paragraphs (c) and (d) of subsection (2) of
 604 section 220.183, Florida Statutes, are amended to read:

605 220.183 Community contribution tax credit.—

606 (2) ELIGIBILITY REQUIREMENTS.—

607 (c) The project must be undertaken by an "eligible
 608 sponsor," defined here as:

- 609 1. A community action program;
- 610 2. A nonprofit community-based development organization
 611 whose mission is the provision of housing for low-income or
 612 very-low-income households or increasing entrepreneurial and
 613 job-development opportunities for low-income persons;
- 614 3. A neighborhood housing services corporation;
- 615 4. A local housing authority, created pursuant to chapter
 616 421;

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- 617 5. A community redevelopment agency, created pursuant to
- 618 s. 163.356;
- 619 6. The Florida Industrial Development Corporation;
- 620 7. An historic preservation district agency or
- 621 organization;
- 622 8. A regional workforce board;
- 623 9. A direct-support organization as provided in s.
- 624 1009.983;
- 625 10. An enterprise zone development agency created pursuant
- 626 to s. 290.0056;
- 627 11. A local governing body that has jurisdiction of an
- 628 energy economic zone created pursuant to s. 377.809;
- 629 ~~12.11.~~ A community-based organization incorporated under
- 630 chapter 617 which is recognized as educational, charitable, or
- 631 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
- 632 and whose bylaws and articles of incorporation include
- 633 affordable housing, economic development, or community
- 634 development as the primary mission of the corporation;
- 635 ~~13.12.~~ Units of local government;
- 636 ~~14.13.~~ Units of state government; or
- 637 ~~15.14.~~ Such other agency as the Office of Tourism, Trade,
- 638 and Economic Development may, from time to time, designate by
- 639 rule.

640

641 In no event shall a contributing business firm have a financial

642 interest in the eligible sponsor.

643 (d) The project shall be located in an area designated as

644 an enterprise zone or a Front Porch Florida Community pursuant

645 to s. 20.18(6) or an energy economic zone pursuant to s.
 646 377.809. Any project designed to construct or rehabilitate
 647 housing for low-income or very-low-income households as defined
 648 in s. 420.9071(19) and (28) is exempt from the area requirement
 649 of this paragraph. This section does not preclude projects that
 650 propose to construct or rehabilitate housing for low-income or
 651 very-low-income households on scattered sites. Any project
 652 designed to provide increased access to high-speed broadband
 653 capabilities which includes coverage of a rural enterprise zone
 654 may locate the project's infrastructure in any area of a rural
 655 county.

656 Section 7. Subsection (4) of section 288.047, Florida
 657 Statutes, is amended to read:

658 288.047 Quick-response training for economic development.—

659 (4) For the first 6 months of each fiscal year, Workforce
 660 Florida, Inc., shall set aside 30 percent of the amount
 661 appropriated for the Quick-Response Training Program by the
 662 Legislature to fund instructional programs for businesses
 663 located in an enterprise zone, ~~or~~ brownfield area, or energy
 664 economic zone created pursuant to s. 377.809. Any unencumbered
 665 funds remaining undisbursed from this set-aside at the end of
 666 the 6-month period may be used to provide funding for any
 667 program qualifying for funding pursuant to this section.

668 Section 8. Subsection (4) of section 288.063, Florida
 669 Statutes, is amended to read:

670 288.063 Contracts for transportation projects.—

671 (4) The Office of Tourism, Trade, and Economic Development
 672 may adopt criteria by which transportation projects are to be

673 reviewed and certified in accordance with s. 288.061. In
 674 approving transportation projects for funding, the Office of
 675 Tourism, Trade, and Economic Development shall consider factors
 676 including, but not limited to, the cost per job created or
 677 retained considering the amount of transportation funds
 678 requested; the average hourly rate of wages for jobs created;
 679 the reliance on the program as an inducement for the project's
 680 location decision; the amount of capital investment to be made
 681 by the business; the demonstrated local commitment; the location
 682 of the project in an enterprise zone designated pursuant to s.
 683 290.0055; the location of the project in an energy economic zone
 684 created under s. 377.809; the location of the project in a
 685 spaceport territory as defined in s. 331.304; the unemployment
 686 rate of the surrounding area; the poverty rate of the community;
 687 and the adoption of an economic element as part of its local
 688 comprehensive plan in accordance with s. 163.3177(7)(j). The
 689 Office of Tourism, Trade, and Economic Development may contact
 690 any agency it deems appropriate for additional input regarding
 691 the approval of projects.

692 Section 9. Subsection (2), paragraphs (b) and (c) of
 693 subsection (3), paragraph (b) of subsection (4), and paragraph
 694 (e) of subsection (6) of section 288.106, Florida Statutes, are
 695 amended to read:

696 288.106 Tax refund program for qualified target industry
 697 businesses.—

698 (2) DEFINITIONS.—As used in this section:

699 (a) "Account" means the Economic Development Incentives
 700 Account within the Economic Development Trust Fund established

701 under s. 288.095.

702 (b) "Authorized local economic development agency" means a
 703 public or private entity, including an entity defined in s.
 704 288.075, authorized by a county or municipality to promote the
 705 general business or industrial interests of that county or
 706 municipality.

707 (c) "Average private sector wage in the area" means the
 708 statewide private sector average wage or the average of all
 709 private sector wages and salaries in the county or in the
 710 standard metropolitan area in which the business is located.

711 (d) "Business" means an employing unit, as defined in s.
 712 443.036, which ~~that~~ is registered for unemployment compensation
 713 purposes with the state agency providing unemployment tax
 714 collection services under contract with the Agency for Workforce
 715 Innovation through an interagency agreement pursuant to s.
 716 443.1316, or a subcategory or division of an employing unit that
 717 is accepted by the state agency providing unemployment tax
 718 collection services as a reporting unit.

719 (e) "Corporate headquarters business" means an
 720 international, national, or regional headquarters office of a
 721 multinational or multistate business enterprise or national
 722 trade association, whether separate from or connected with other
 723 facilities used by such business.

724 (f) "Director" means the Director of the Office of
 725 Tourism, Trade, and Economic Development.

726 (g) "Energy economic zone" means an area designated as an
 727 energy economic zone pursuant to s. 377.809.

728 (h) ~~(g)~~ "Enterprise zone" means an area designated as an

729 enterprise zone pursuant to s. 290.0065.

730 (i)~~(h)~~ "Expansion of an existing business" means the
 731 expansion of an existing Florida business by or through
 732 additions to real and personal property, resulting in a net
 733 increase in employment of not less than 10 percent at such
 734 business.

735 (j)~~(i)~~ "Fiscal year" means the fiscal year of the state.

736 (k)~~(j)~~ "Jobs" means full-time equivalent positions,
 737 including, but not limited to, positions obtained from a
 738 temporary employment agency or employee leasing company or
 739 through a union agreement or coemployment under a professional
 740 employer organization agreement, which ~~that~~ result directly from
 741 a project in this state. The term does not include temporary
 742 construction jobs involved with the construction of facilities
 743 for the project or any jobs previously included in any
 744 application for tax refunds under s. 288.1045 or this section.

745 (l)~~(k)~~ "Local financial support" means funding from local
 746 sources, public or private, which ~~that~~ is paid to the Economic
 747 Development Trust Fund and which ~~that~~ is equal to 20 percent of
 748 the annual tax refund for a qualified target industry business.
 749 A qualified target industry business may not provide, directly
 750 or indirectly, more than 5 percent of such funding in any fiscal
 751 year. The sources of such funding may not include, directly or
 752 indirectly, state funds appropriated from the General Revenue
 753 Fund or any state trust fund, excluding tax revenues shared with
 754 local governments pursuant to law.

755 (m)~~(l)~~ "Local financial support exemption option" means
 756 the option to exercise an exemption from the local financial

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757 support requirement available to any applicant whose project is
758 located in a brownfield area, a rural city, or a rural
759 community. Any applicant that exercises this option is not
760 eligible for more than 80 percent of the total tax refunds
761 allowed such applicant under this section.

762 (n)~~(m)~~ "New business" means a business that applies for a
763 tax refund under this section before beginning operations in
764 this state and that is a legal entity separate from any other
765 commercial or industrial operations owned by the same business.

766 (o)~~(n)~~ "Office" means the Office of Tourism, Trade, and
767 Economic Development.

768 (p)~~(o)~~ "Project" means the creation of a new business or
769 expansion of an existing business.

770 (q)~~(p)~~ "Qualified target industry business" means a target
771 industry business approved by the office to be eligible for tax
772 refunds under this section.

773 (r)~~(q)~~ "Return on investment" means the gain in state
774 revenues as a percentage of the state's investment. The state's
775 investment includes state grants, tax exemptions, tax refunds,
776 tax credits, and other state incentives.

777 (s)~~(r)~~ "Rural city" means a city having a population of
778 10,000 or fewer, or a city having a population of greater than
779 10,000 but fewer than 20,000 which ~~that~~ has been determined by
780 the office to have economic characteristics such as, but not
781 limited to, a significant percentage of residents on public
782 assistance, a significant percentage of residents with income
783 below the poverty level, or a significant percentage of the
784 city's employment base in agriculture-related industries.

785 (t)~~(s)~~ "Rural community" means:

786 1. A county having a population of 75,000 or fewer.

787 2. A county having a population of 125,000 or fewer which
 788 ~~that~~ is contiguous to a county having a population of 75,000 or
 789 fewer.

790 3. A municipality within a county described in
 791 subparagraph 1. or subparagraph 2.

792
 793 For purposes of this paragraph, population shall be determined
 794 in accordance with the most recent official estimate pursuant to
 795 s. 186.901.

796 (u)~~(t)~~ "Target industry business" means a corporate
 797 headquarters business or any business that is engaged in one of
 798 the target industries identified pursuant to the following
 799 criteria developed by the office in consultation with Enterprise
 800 Florida, Inc., or any business that is engaged in one of the
 801 target industries identified by the local governing body of an
 802 energy economic zone pursuant to an ordinance and approved by
 803 the Office of Tourism, Trade, and Economic Development:

804 1. Future growth.—Industry forecasts should indicate
 805 strong expectation for future growth in both employment and
 806 output, according to the most recent available data. Special
 807 consideration should be given to businesses that export goods
 808 to, or provide services in, international markets and businesses
 809 that replace domestic and international imports of goods or
 810 services.

811 2. Stability.—The industry should not be subject to
 812 periodic layoffs, whether due to seasonality or sensitivity to

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813 | volatile economic variables such as weather. The industry should
814 | also be relatively resistant to recession, so that the demand
815 | for products of this industry is not typically subject to
816 | decline during an economic downturn.

817 | 3. High wage.—The industry should pay relatively high
818 | wages compared to statewide or area averages.

819 | 4. Market and resource independent.—The location of
820 | industry businesses should not be dependent on Florida markets
821 | or resources as indicated by industry analysis, except for
822 | businesses in the renewable energy industry or a business
823 | located in an energy economic zone.

824 | 5. Industrial base diversification and strengthening.—The
825 | industry should contribute toward expanding or diversifying the
826 | state's or area's economic base, as indicated by analysis of
827 | employment and output shares compared to national and regional
828 | trends. Special consideration should be given to industries that
829 | strengthen regional economies by adding value to basic products
830 | or building regional industrial clusters as indicated by
831 | industry analysis. Special consideration should also be given to
832 | the development of strong industrial clusters that include
833 | defense and homeland security businesses.

834 | 6. Economic benefits.—The industry is expected to have
835 | strong positive impacts on or benefits to the state or regional
836 | economies.

837 |

838 | The term does not include any business engaged in retail
839 | industry activities; any electrical utility company; any
840 | phosphate or other solid minerals severance, mining, or

841 processing operation; any oil or gas exploration or production
 842 operation; or any business subject to regulation by the Division
 843 of Hotels and Restaurants of the Department of Business and
 844 Professional Regulation. Any business within NAICS code 5611 or
 845 5614, office administrative services and business support
 846 services, respectively, may be considered a target industry
 847 business only after the local governing body and Enterprise
 848 Florida, Inc., make a determination that the community where the
 849 business may locate has conditions affecting the fiscal and
 850 economic viability of the local community or area, including but
 851 not limited to, factors such as low per capita income, high
 852 unemployment, high underemployment, and a lack of year-round
 853 stable employment opportunities, and such conditions may be
 854 improved by the location of such a business to the community.
 855 Any business excluded by this paragraph is considered a target
 856 industry business within an energy economic zone only after the
 857 local governing body and the Office of Tourism, Trade, and
 858 Economic Development determine that the industry has been
 859 identified as a target industry pursuant to local ordinance, and
 860 that the establishment of the business in the energy economic
 861 zone is consistent with the goals and strategic plan of the
 862 energy economic zone. By January 1 of every 3rd year, beginning
 863 January 1, 2011, the office, in consultation with Enterprise
 864 Florida, Inc., economic development organizations, the State
 865 University System, local governments, employee and employer
 866 organizations, market analysts, and economists, shall review
 867 and, as appropriate, revise the list of such target industries
 868 and submit the list to the Governor, the President of the

869 Senate, and the Speaker of the House of Representatives.

870 (v)~~(u)~~ "Taxable year" means taxable year as defined in s.
871 220.03(1)(y).

872 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

873 (b)1. Upon approval by the office, a qualified target
874 industry business shall be allowed tax refund payments equal to
875 \$3,000 multiplied by the number of jobs specified in the tax
876 refund agreement under subparagraph (5)(a)1., or equal to \$6,000
877 multiplied by the number of jobs if the project is located in a
878 rural community, ~~or~~ an enterprise zone, or an energy economic
879 zone.

880 2. A qualified target industry business shall be allowed
881 additional tax refund payments equal to \$1,000 multiplied by the
882 number of jobs specified in the tax refund agreement under
883 subparagraph (5)(a)1. if such jobs pay an annual average wage of
884 at least 150 percent of the average private sector wage in the
885 area, or equal to \$2,000 multiplied by the number of jobs if
886 such jobs pay an annual average wage of at least 200 percent of
887 the average private sector wage in the area.

888 3. A qualified target industry business shall be allowed
889 tax refund payments in addition to the other payments authorized
890 in this paragraph equal to \$1,000 multiplied by the number of
891 jobs specified in the tax refund agreement under subparagraph
892 (5)(a)1. if the local financial support is equal to that of the
893 state's incentive award under subparagraph 1.

894 4. In addition to the other tax refund payments authorized
895 in this paragraph, a qualified target industry business shall be
896 allowed a tax refund payment equal to \$2,000 multiplied by the

897 | number of jobs specified in the tax refund agreement under
 898 | subparagraph (5) (a)1. if the business:

899 | a. Falls within one of the high-impact sectors designated
 900 | under s. 288.108; or

901 | b. Increases exports of its goods through a seaport or
 902 | airport in the state by at least 10 percent in value or tonnage
 903 | in each of the years that the business receives a tax refund
 904 | under this section. For purposes of this sub-subparagraph,
 905 | seaports in the state are limited to the ports of Jacksonville,
 906 | Tampa, Port Everglades, Miami, Port Canaveral, Ft. Pierce, Palm
 907 | Beach, Port Manatee, Port St. Joe, Panama City, St. Petersburg,
 908 | Pensacola, Fernandina, and Key West.

909 | (c) A qualified target industry business may not receive
 910 | refund payments of more than 25 percent of the total tax refunds
 911 | specified in the tax refund agreement under subparagraph
 912 | (5) (a)1. in any fiscal year. Further, a qualified target
 913 | industry business may not receive more than \$1.5 million in
 914 | refunds under this section in any single fiscal year, or more
 915 | than \$2.5 million in any single fiscal year if the project is
 916 | located in an enterprise zone or an energy economic zone. A
 917 | qualified target industry business may not receive more than \$5
 918 | million in refund payments under this section in all fiscal
 919 | years, or more than \$7.5 million if the project is located in an
 920 | enterprise zone or an energy economic zone.

921 | (4) APPLICATION AND APPROVAL PROCESS.—

922 | (b) To qualify for review by the office, the application
 923 | of a target industry business must, at a minimum, establish the
 924 | following to the satisfaction of the office:

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925 1.a. The jobs proposed to be created under the
926 application, pursuant to subparagraph (a)4., must pay an
927 estimated annual average wage equaling at least 115 percent of
928 the average private sector wage in the area where the business
929 is to be located or the statewide private sector average wage.
930 The governing board of the county where the qualified target
931 industry business is to be located shall notify the office and
932 Enterprise Florida, Inc., which calculation of the average
933 private sector wage in the area must be used as the basis for
934 the business's wage commitment. In determining the average
935 annual wage, the office shall include only new proposed jobs,
936 and wages for existing jobs shall be excluded from this
937 calculation. The minimum average wage requirement is waived for
938 a target industry business locating or expanding in an energy
939 economic zone.

940 b. The office may waive the average wage requirement at
941 the request of the local governing body recommending the project
942 and Enterprise Florida, Inc. The office may waive the wage
943 requirement for a project located in a brownfield area
944 designated under s. 376.80, in a rural city, in a rural
945 community, in an enterprise zone, or for a manufacturing project
946 at any location in the state if the jobs proposed to be created
947 pay an estimated annual average wage equaling at least 100
948 percent of the average private sector wage in the area where the
949 business is to be located, only if the merits of the individual
950 project or the specific circumstances in the community in
951 relationship to the project warrant such action. If the local
952 governing body and Enterprise Florida, Inc., make such a

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953 recommendation, it must be transmitted in writing, and the
954 specific justification for the waiver recommendation must be
955 explained. If the office elects to waive the wage requirement,
956 the waiver must be stated in writing, and the reasons for
957 granting the waiver must be explained.

958 2. The target industry business's project must result in
959 the creation of at least 10 jobs at the project and, in the case
960 of an expansion of an existing business, must result in a net
961 increase in employment of at least 10 percent at the business.
962 At the request of the local governing body recommending the
963 project and Enterprise Florida, Inc., the office may waive this
964 requirement for a business in a rural community or enterprise
965 zone if the merits of the individual project or the specific
966 circumstances in the community in relationship to the project
967 warrant such action. If the local governing body and Enterprise
968 Florida, Inc., make such a request, the request must be
969 transmitted in writing, and the specific justification for the
970 request must be explained. If the office elects to grant the
971 request, the grant must be stated in writing, and the reason for
972 granting the request must be explained.

973 3. The business activity or product for the applicant's
974 project must be within an industry identified by the office as a
975 target industry business that contributes to the economic growth
976 of the state and the area in which the business is located, that
977 produces a higher standard of living for residents of this state
978 in the new global economy, or that can be shown to make an
979 equivalent contribution to the area's and state's economic
980 progress.

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981 (6) ANNUAL CLAIM FOR REFUND.—

982 (e) A prorated tax refund, less a 5 percent ~~5-percent~~
 983 penalty, shall be approved for a qualified target industry
 984 business if all other applicable requirements have been
 985 satisfied and the business proves to the satisfaction of the
 986 office that:

987 1. It has achieved at least 80 percent of its projected
 988 employment; and

989 2. The average wage paid by the business is at least 90
 990 percent of the average wage specified in the tax refund
 991 agreement, but in no case less than 115 percent of the average
 992 private sector wage in the area available at the time of
 993 certification, except within an energy economic zone, or 150
 994 percent or 200 percent of the average private sector wage if the
 995 business requested the additional per-job tax refund authorized
 996 in paragraph (3) (b) for wages above those levels. The prorated
 997 tax refund shall be calculated by multiplying the tax refund
 998 amount for which the qualified target industry business would
 999 have been eligible, if all applicable requirements had been
 1000 satisfied, by the percentage of the average employment specified
 1001 in the tax refund agreement which was achieved, and by the
 1002 percentage of the average wages specified in the tax refund
 1003 agreement which was achieved.

1004 Section 10. Subsection (4) of section 377.809, Florida
 1005 Statutes, is amended, and subsections (5) through (8) are added
 1006 to that section, to read:

1007 377.809 Energy Economic Zone Pilot Program.—

1008 (4) ~~If the pilot project is ongoing,~~ The Department of

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1009 Community Affairs, with the assistance of the Office of Tourism,
 1010 Trade, and Economic Development, shall submit a report to the
 1011 Governor, the President of the Senate, and the Speaker of the
 1012 House of Representatives by February 15, 2015 ~~2012~~, evaluating
 1013 whether the pilot program has demonstrated success. The report
 1014 shall contain recommendations with regard to whether the program
 1015 should be expanded for use by other local governments and
 1016 whether state policies should be revised to encourage the goals
 1017 of the program.

1018 (5) Beginning July 1, 2011, and after the adoption of an
 1019 ordinance by the local governing body of an energy economic
 1020 zone, the incentives in this subsection are available to
 1021 eligible businesses.

1022 (a) The following fiscal incentives are available to
 1023 eligible businesses:

- 1024 1. The jobs credit provided in s. 220.181.
- 1025 2. The property tax credit provided in s. 220.182.
- 1026 3. The community contribution tax credits provided in ss.
 1027 212.08, 220.183, and 624.5105.
- 1028 4. The sales tax exemption for building materials used in
 1029 the rehabilitation of real property provided in s. 212.08(5)(g).
- 1030 5. The sales tax exemption for business equipment provided
 1031 in s. 212.08(5)(h).
- 1032 6. The sales tax exemption for electrical energy provided
 1033 in s. 212.08(15).
- 1034 7. The jobs credit against the sales tax provided in s.
 1035 212.096.
- 1036 8. The tax refund for qualified target industries provided

1037 | in s. 288.106.

1038 | (b) The following regulatory incentives are available to
 1039 | eligible businesses:

1040 | 1. The governing body of an energy economic zone may use
 1041 | the comprehensive plan amendment procedures provided in s.
 1042 | 163.32465(3)-(5) for comprehensive plan amendments within the
 1043 | energy economic zone and the regulatory exceptions for dense
 1044 | urban land areas as defined in s. 163.3164(34).

1045 | 2. Density and intensity bonuses for energy-efficient
 1046 | development within a designated energy economic zone may not be
 1047 | calculated as part of the development capacity for purposes of
 1048 | chapter 163 or rule 9J-5, Florida Administrative Code.
 1049 | Comprehensive plan amendments relating to energy economic zones
 1050 | are not subject to the twice-yearly limitation provisions of s.
 1051 | 163.3187(1).

1052 | 3. Notwithstanding the provisions of part II of chapter
 1053 | 163 and the rules adopted thereunder, if the application of such
 1054 | provisions conflicts with the goals of an energy economic zone
 1055 | created pursuant to this section, the provisions of this section
 1056 | prevail. Any agency or judicial review of development within the
 1057 | energy economic zone is limited to the extent to which the
 1058 | amendment furthers the goals contained in this section.

1059 | (c) Notwithstanding any law to the contrary, a public
 1060 | utility may grant discounts of up to 50 percent on tariffed
 1061 | rates for services to small businesses located in an energy
 1062 | economic zone designated pursuant to this section. Such
 1063 | discounts may be granted for not more than 5 years. For purposes
 1064 | of this subsection, the term "public utility" has the same

1065 meaning as in s. 366.02(1).

1066 (d) Projects located in the energy economic zone shall be
 1067 given priority ranking to the extent practicable in the
 1068 application and awards process for grants administered by the
 1069 Florida Energy and Climate Commission or any other state energy
 1070 program, for appropriate economic development programs, or for
 1071 grants from other applicable sources such as qualified energy
 1072 conservation bonds.

1073 (e) For purposes of eligibility criteria for the
 1074 incentives specified in this subsection, the terms "energy-
 1075 efficiency development" and "clean technology industries and
 1076 businesses" may include a diverse range of products, services,
 1077 and processes that harness renewable materials and energy
 1078 sources and reduce the use of natural resources, reduce
 1079 greenhouse gas emissions, and result in energy conservation.

1080 (6) In order for fiscal and regulatory incentives in
 1081 subsection (5) to be provided, the local governing body must:

1082 (a) Certify to the Department of Revenue, the Department
 1083 of Community Affairs, and the Office of Tourism, Trade, and
 1084 Economic Development the pilot community's developments and
 1085 businesses eligible to receive the incentives applicable to the
 1086 energy economic zone. Boundaries of the energy economic zone may
 1087 be revised by the local governing body upon approval by the
 1088 Department of Community Affairs.

1089 (b) Designate the energy economic zone by ordinance, which
 1090 may also include:

1091 1. Identification of local and state incentives from among
 1092 those in subsection (5) which apply within the energy economic

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1093 zone.

1094 2. A description of the clean technology industries and
1095 businesses that will be eligible to receive the incentives.

1096 3. A description of the Leadership in Energy and
1097 Environmental Design (LEED) standards or the standards of
1098 another professionally adopted green building code applicable to
1099 eligibility for the exemptions provided in s. 212.08(5) for
1100 certain building materials and business property within the
1101 pilot community's energy economic zone.

1102 (7) Effective July 1, 2011, the total amount of credits,
1103 refunds, and exemptions that may be granted for energy economic
1104 zone incentives pursuant to subsection (5) is \$300,000 per
1105 designated energy economic zone in any fiscal year, for a total
1106 maximum allowable amount of \$600,000 each year. A credit or
1107 refund that is claimed after each \$300,000 limit is reached
1108 shall be disallowed. If the credit or refund limit is not fully
1109 used in any one state fiscal year, the unused amount may be
1110 carried forward for no more than 5 years. Credit that is carried
1111 over may be used in a subsequent year if the tax for that year
1112 exceeds the credit for that year after applying the other
1113 credits and unused credit that were carried over. The local
1114 governing body having jurisdiction over the energy economic zone
1115 is responsible for the tracking of and accounting for the levels
1116 of credits and refunds granted and credit for unused amounts
1117 each year which may be carried over from a previous year. All
1118 credits, refunds, and exemptions shall be reviewed pursuant to
1119 subsection (4).

1120 (8) (a) Upon application to and approval by the Office of

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1121 Tourism, Trade, and Economic Development, an eligible industry
 1122 or business located within an energy economic zone may elect to
 1123 transfer, in whole or in part, any unused credit granted under
 1124 subsection (5), with the exception of the tax credit allowed
 1125 under s. 624.5105. An election to transfer any unused tax credit
 1126 or refund amount must be made no later than 5 years after the
 1127 date the credit is awarded, after which time the credit expires
 1128 and may not be used. The Office of Tourism, Trade, and Economic
 1129 Development shall notify the Department of Revenue of these
 1130 elections and transfers.

1131 (b) An eligible industry or business located within an
 1132 energy economic zone which elects to apply a credit amount
 1133 against taxes or refunds remitted under chapter 212 is permitted
 1134 a one-time transfer of such unused credits to one transferee. An
 1135 eligible industry or business located in an energy economic zone
 1136 which elects to apply a credit amount against taxes due under
 1137 chapter 220 is permitted a one-time transfer of unused credits
 1138 to no more than four transferees, and such transfers must occur
 1139 in the same taxable year.

1140 (c) The transferee is subject to the same rights and
 1141 limitations as the industry or business located in an energy
 1142 economic zone awarded the tax credit, except that the transferee
 1143 may not sell or otherwise transfer the tax credit.

1144 Section 11. Paragraph (a) of subsection (3) of section
 1145 445.003, Florida Statutes, is amended to read:

1146 445.003 Implementation of the federal Workforce Investment
 1147 Act of 1998.—

1148 (3) FUNDING.—

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1149 (a) Title I, Workforce Investment Act of 1998 funds;
1150 Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended
1151 based on the 5-year plan of Workforce Florida, Inc. The plan
1152 shall outline and direct the method used to administer and
1153 coordinate various funds and programs that are operated by
1154 various agencies. The following provisions shall also apply to
1155 these funds:

1156 1. At least 50 percent of the Title I funds for Adults and
1157 Dislocated Workers which ~~that~~ are passed through to regional
1158 workforce boards shall be allocated to Individual Training
1159 Accounts unless a regional workforce board obtains a waiver from
1160 Workforce Florida, Inc. Tuition and fees qualify as an
1161 Individual Training Account expenditure, as do other programs
1162 developed by regional workforce boards in compliance with
1163 policies of Workforce Florida, Inc.

1164 2. Fifteen percent of Title I funding shall be retained at
1165 the state level and shall be dedicated to state administration
1166 and used to design, develop, induce, and fund innovative
1167 Individual Training Account pilots, demonstrations, and
1168 programs. Of such funds retained at the state level, \$2 million
1169 shall be reserved for the Incumbent Worker Training Program,
1170 created under subparagraph 3. Eligible state administration
1171 costs include the costs of: funding for the board and staff of
1172 Workforce Florida, Inc.; operating fiscal, compliance, and
1173 management accountability systems through Workforce Florida,
1174 Inc.; conducting evaluation and research on workforce
1175 development activities; and providing technical and capacity
1176 building assistance to regions at the direction of Workforce

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1177 Florida, Inc. Notwithstanding s. 445.004, such administrative
1178 costs shall not exceed 25 percent of these funds. An amount not
1179 to exceed 75 percent of these funds shall be allocated to
1180 Individual Training Accounts and other workforce development
1181 strategies for other training designed and tailored by Workforce
1182 Florida, Inc., including, but not limited to, programs for
1183 incumbent workers, displaced homemakers, nontraditional
1184 employment, and enterprise zones. Workforce Florida, Inc., shall
1185 design, adopt, and fund Individual Training Accounts for
1186 distressed urban and rural communities.

1187 3. The Incumbent Worker Training Program is created for
1188 the purpose of providing grant funding for continuing education
1189 and training of incumbent employees at existing Florida
1190 businesses. The program will provide reimbursement grants to
1191 businesses that pay for preapproved, direct, training-related
1192 costs.

1193 a. The Incumbent Worker Training Program will be
1194 administered by Workforce Florida, Inc. Workforce Florida, Inc.,
1195 at its discretion, may contract with a private business
1196 organization to serve as grant administrator.

1197 b. To be eligible for the program's grant funding, a
1198 business must have been in operation in Florida for a minimum of
1199 1 year prior to the application for grant funding; have at least
1200 one full-time employee; demonstrate financial viability; and be
1201 current on all state tax obligations. Priority for funding shall
1202 be given to businesses with 25 employees or fewer, businesses in
1203 rural areas, businesses in distressed inner-city areas,
1204 businesses in a qualified targeted industry, businesses whose

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1205 grant proposals represent a significant upgrade in employee
1206 skills, businesses in an energy economic zone created pursuant
1207 to s. 377.809, or businesses whose grant proposals represent a
1208 significant layoff avoidance strategy.

1209 c. All costs reimbursed by the program must be preapproved
1210 by Workforce Florida, Inc., or the grant administrator. The
1211 program will not reimburse businesses for trainee wages, the
1212 purchase of capital equipment, or the purchase of any item or
1213 service that may possibly be used outside the training project.
1214 A business approved for a grant may be reimbursed for
1215 preapproved, direct, training-related costs including tuition;
1216 fees; books and training materials; and overhead or indirect
1217 costs not to exceed 5 percent of the grant amount.

1218 d. A business that is selected to receive grant funding
1219 must provide a matching contribution to the training project,
1220 including, but not limited to, wages paid to trainees or the
1221 purchase of capital equipment used in the training project; must
1222 sign an agreement with Workforce Florida, Inc., or the grant
1223 administrator to complete the training project as proposed in
1224 the application; must keep accurate records of the project's
1225 implementation process; and must submit monthly or quarterly
1226 reimbursement requests with required documentation.

1227 e. All Incumbent Worker Training Program grant projects
1228 shall be performance-based with specific measurable performance
1229 outcomes, including completion of the training project and job
1230 retention. Workforce Florida, Inc., or the grant administrator
1231 shall withhold the final payment to the grantee until a final
1232 grant report is submitted and all performance criteria specified

1233 | in the grant contract have been achieved.

1234 | f. Workforce Florida, Inc., may establish guidelines
1235 | necessary to implement the Incumbent Worker Training Program.

1236 | g. No more than 10 percent of the Incumbent Worker
1237 | Training Program's total appropriation may be used for overhead
1238 | or indirect purposes.

1239 | 4. At least 50 percent of Rapid Response funding shall be
1240 | dedicated to Intensive Services Accounts and Individual Training
1241 | Accounts for dislocated workers and incumbent workers who are at
1242 | risk of dislocation. Workforce Florida, Inc., shall also
1243 | maintain an Emergency Preparedness Fund from Rapid Response
1244 | funds which will immediately issue Intensive Service Accounts
1245 | and Individual Training Accounts as well as other federally
1246 | authorized assistance to eligible victims of natural or other
1247 | disasters. At the direction of the Governor, for events that
1248 | qualify under federal law, these Rapid Response funds shall be
1249 | released to regional workforce boards for immediate use. Funding
1250 | shall also be dedicated to maintain a unit at the state level to
1251 | respond to Rapid Response emergencies around the state, to work
1252 | with state emergency management officials, and to work with
1253 | regional workforce boards. All Rapid Response funds must be
1254 | expended based on a plan developed by Workforce Florida, Inc.,
1255 | and approved by the Governor.

1256 | Section 12. Paragraph (h) of subsection (1) of section
1257 | 220.191, Florida Statutes, is amended to read:

1258 | 220.191 Capital investment tax credit.—

1259 | (1) DEFINITIONS.—For purposes of this section:

1260 | (h) "Qualifying project" means:

1261 1. A new or expanding facility in this state which creates
 1262 at least 100 new jobs in this state and is in one of the high-
 1263 impact sectors identified by Enterprise Florida, Inc., and
 1264 certified by the office pursuant to s. 288.108(6), including,
 1265 but not limited to, aviation, aerospace, automotive, and silicon
 1266 technology industries;

1267 2. A new or expanded facility in this state which is
 1268 engaged in a target industry designated pursuant to the
 1269 procedure specified in s. 288.106(2)(u) ~~288.106(2)(t)~~ and which
 1270 is induced by this credit to create or retain at least 1,000
 1271 jobs in this state, provided that at least 100 of those jobs are
 1272 new, pay an annual average wage of at least 130 percent of the
 1273 average private sector wage in the area as defined in s.
 1274 288.106(2), and make a cumulative capital investment of at least
 1275 \$100 million after July 1, 2005. Jobs may be considered retained
 1276 only if there is significant evidence that the loss of jobs is
 1277 imminent. Notwithstanding subsection (2), annual credits against
 1278 the tax imposed by this chapter shall not exceed 50 percent of
 1279 the increased annual corporate income tax liability or the
 1280 premium tax liability generated by or arising out of a project
 1281 qualifying under this subparagraph. A facility that qualifies
 1282 under this subparagraph for an annual credit against the tax
 1283 imposed by this chapter may take the tax credit for a period not
 1284 to exceed 5 years; or

1285 3. A new or expanded headquarters facility in this state
 1286 which locates in an enterprise zone and brownfield area and is
 1287 induced by this credit to create at least 1,500 jobs which on
 1288 average pay at least 200 percent of the statewide average annual

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1289 private sector wage, as published by the Agency for Workforce
1290 Innovation or its successor, and which new or expanded
1291 headquarters facility makes a cumulative capital investment in
1292 this state of at least \$250 million.

1293 Section 13. This act shall take effect July 1, 2011.