

By Senator Bennett

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

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

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59 energy economic zone; amending s. 288.106, F.S.;
60 including the term "energy economic zone" in the
61 definitions that apply to tax refund programs for
62 qualified target industry businesses; revising the
63 definition of the term "target industry business" to
64 include certain businesses in energy economic zones;
65 providing for a business that is otherwise excluded
66 from designation as a target industry business to
67 qualify upon approval pursuant to local ordinance;
68 waiving certain minimum average wage requirements for
69 target industry businesses located in an energy
70 economic zone; excluding qualified target industry
71 businesses within an energy economic zone from the
72 minimum average wage requirements; amending s.
73 377.809, F.S.; extending to February 15, 2015, the
74 deadline for submission by the Department of Community
75 Affairs of its report evaluating the energy economic
76 zone pilot program; expanding the Energy Economic Zone
77 Pilot Program to provide fiscal and regulatory
78 incentives for eligible businesses; providing criteria
79 for receiving fiscal and regulatory incentives;
80 allowing public utilities to grant certain discounts
81 to small businesses located in an energy economic
82 zone; providing for additional incentives; giving
83 priority ranking to certain business located in energy
84 economic zones for grants administered by the Florida
85 Energy and Climate Commission or for other grants or
86 programs; clarifying terms relating to energy economic
87 zone eligibility criteria; requiring the local

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88 governing body to certify to the Department of
89 Revenue, the Department of Community Affairs, and the
90 Office of Tourism, Trade, and Economic Development the
91 pilot community's developments and businesses eligible
92 for the incentives in specified circumstances;
93 authorizing the local governing body to revise
94 boundaries of the energy economic zone in specified
95 circumstances; requiring a community within an energy
96 economic zone pilot program to adopt an ordinance
97 authorizing certain tax incentives; providing
98 additional criteria that may be included in the
99 ordinance; limiting the amount of tax incentives
100 available; providing circumstances and criteria for
101 the transfer of tax credits; amending s. 445.003,
102 F.S.; specifying eligibility for reimbursement grants
103 under the Incumbent Worker Training Program to
104 businesses in an energy economic zone; amending s.
105 220.191, F.S.; conforming a cross-reference; providing
106 an effective date.

107
108 Be It Enacted by the Legislature of the State of Florida:

109
110 Section 1. Subsection (2) of section 163.32465, Florida
111 Statutes, is amended to read:

112 163.32465 State review of local comprehensive plans in
113 urban areas.—

114 (2) ALTERNATIVE STATE REVIEW PROCESS PILOT PROGRAM.—
115 Pinellas and Broward Counties, ~~and~~ the municipalities within
116 these counties, ~~and~~ Jacksonville, Miami, Tampa, and Hialeah, and

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117 areas designated as energy economic zones created under s.
 118 377.809 shall follow an alternative state review process
 119 provided in this section. Municipalities within the pilot
 120 counties may elect, by super majority vote of the governing
 121 body, not to participate in the pilot program. In addition to
 122 the pilot program jurisdictions, any local government may use
 123 the alternative state review process to designate an urban
 124 service area as defined in s. 163.3164(29) in its comprehensive
 125 plan.

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

129 212.08 Sales, rental, use, consumption, distribution, and
 130 storage tax; specified exemptions.—The sale at retail, the
 131 rental, the use, the consumption, the distribution, and the
 132 storage to be used or consumed in this state of the following
 133 are hereby specifically exempt from the tax imposed by this
 134 chapter.

135 (5) EXEMPTIONS; ACCOUNT OF USE.—

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

139 1. The purchase of machinery and equipment for use at a
 140 fixed location which machinery and equipment are necessary in
 141 the production of electrical or steam energy resulting from the
 142 burning of boiler fuels other than residual oil or the
 143 production of renewable energy in an energy economic zone
 144 eligible under s. 377.809 is exempt from the tax imposed by this
 145 chapter. Such electrical, ~~or~~ steam, or renewable energy must be

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146 primarily for use in manufacturing, processing, compounding, or
147 producing for sale items of tangible personal property in this
148 state. Use of a de minimis amount of residual fuel to facilitate
149 the burning of nonresidual fuel shall not reduce the exemption
150 otherwise available under this paragraph.

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

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

173 (g) *Building materials used in the rehabilitation of real*
174 *property located in an enterprise zone or an energy economic*

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175 zone.—

176 1. Building materials used in the rehabilitation of real
177 property located in an enterprise zone or in an energy economic
178 zone, as defined by ordinance pursuant to s. 377.809, are exempt
179 from the tax imposed by this chapter upon an affirmative showing
180 to the satisfaction of the department that the items have been
181 used for the rehabilitation of real property located in an
182 enterprise zone or an energy economic zone. Except as provided
183 in subparagraph 2., this exemption inures to the owner, lessee,
184 or lessor at the time the real property is rehabilitated, but
185 only through a refund of previously paid taxes. To receive a
186 refund pursuant to this paragraph, the owner, lessee, or lessor
187 of the rehabilitated real property must file an application
188 under oath with the governing body or enterprise zone
189 development agency having jurisdiction over the enterprise zone
190 or energy economic zone where the business is located, as
191 applicable. A single application for a refund may be submitted
192 for multiple, contiguous parcels that were part of a single
193 parcel that was divided as part of the rehabilitation of the
194 property. All other requirements of this paragraph apply to each
195 parcel on an individual basis. The application must include:

- 196 a. The name and address of the person claiming the refund.
- 197 b. An address and assessment roll parcel number of the
198 rehabilitated real property for which a refund of previously
199 paid taxes is being sought.
- 200 c. A description of the improvements made to accomplish the
201 rehabilitation of the real property.
- 202 d. A copy of a valid building permit issued by the county
203 or municipal building department for the rehabilitation of the

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204 real property.

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

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

227 g. A certification by the local building code inspector
228 that the improvements necessary to rehabilitate the real
229 property are substantially completed.

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

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

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233 employee of the business, including, for each employee who is a
234 resident of an enterprise zone or an energy economic zone, the
235 identifying number assigned pursuant to s. 290.0065 to the
236 enterprise zone in which the employee resides.

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

254 3. Within 10 working days after receipt of an application,
255 the governing body or enterprise zone development agency shall
256 review the application to determine if it contains all the
257 information required by subparagraph 1. or subparagraph 2. and
258 meets the criteria set out in this paragraph. The governing body
259 or agency shall certify all applications that contain the
260 required information and are eligible to receive a refund. If
261 applicable, the governing body or agency shall also certify if

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262 20 percent of the employees of the business are residents of an
263 enterprise zone, excluding temporary and part-time employees.
264 The certification must be in writing, and a copy of the
265 certification shall be transmitted to the executive director of
266 the department. The applicant is responsible for forwarding a
267 certified application to the department within the time
268 specified in subparagraph 4.

269 4. An application for a refund must be submitted to the
270 department within 6 months after the rehabilitation of the
271 property is deemed to be substantially completed by the local
272 building code inspector or by November 1 after the rehabilitated
273 property is first subject to assessment.

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

290 6. The department shall adopt rules governing the manner

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291 and form of refund applications and may establish guidelines as
292 to the requisites for an affirmative showing of qualification
293 for exemption under this paragraph.

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

300 8. For the purposes of the exemption provided in this
301 paragraph, the term:

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

304 b. "Real property" has the same meaning as provided in s.
305 192.001(12), except that the term does not include a condominium
306 parcel or condominium property as defined in s. 718.103.

307 c. "Rehabilitation of real property" means the
308 reconstruction, renovation, restoration, rehabilitation,
309 construction, or expansion of improvements to real property.

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

312 9. This paragraph expires on the date specified in s.
313 290.016 for the expiration of the Florida Enterprise Zone Act
314 or, as it relates to energy economic zones, the date specified
315 in s. 377.809, if the Legislature repeals the Energy Economic
316 Zone Pilot Program.

317 (h) *Business property used in an enterprise zone or an*
318 *energy economic zone.*-

319 1. Business property purchased for use by businesses

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320 located in an enterprise zone or in an energy economic zone that
321 is deemed eligible by ordinance pursuant to s. 377.809 which is
322 subsequently used in an enterprise zone or an energy economic
323 zone shall be exempt from the tax imposed by this chapter. This
324 exemption inures to the business only through a refund of
325 previously paid taxes. A refund shall be authorized upon an
326 affirmative showing by the taxpayer to the satisfaction of the
327 department that the requirements of this paragraph have been
328 met.

329 2. To receive a refund, the business must file under oath
330 with the governing body or enterprise zone development agency
331 having jurisdiction over the enterprise zone or the energy
332 economic zone where the business is located, as applicable, an
333 application that ~~which~~ includes:

334 a. The name and address of the business claiming the
335 refund.

336 b. The identifying number assigned pursuant to s. 290.0065
337 to the enterprise zone in which the business is located or the
338 location of the energy economic zone.

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

342 d. The location of the property.

343 e. The sales invoice or other proof of purchase of the
344 property, showing the amount of sales tax paid, the date of
345 purchase, and the name and address of the sales tax dealer from
346 whom the property was purchased.

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

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349 g. If applicable, the name and address of each permanent
350 employee of the business, including, for each employee who is a
351 resident of an enterprise zone or an energy economic zone, the
352 identifying number assigned pursuant to s. 290.0065 to the
353 enterprise zone in which the employee resides.

354 3. Within 10 working days after receipt of an application,
355 the governing body or enterprise zone development agency shall
356 review the application to determine if it contains all the
357 information required pursuant to subparagraph 2. and meets the
358 criteria set out in this paragraph. The governing body or agency
359 shall certify all applications that contain the information
360 required pursuant to subparagraph 2. and meet the criteria set
361 out in this paragraph as eligible to receive a refund. If
362 applicable, the governing body or agency shall also certify if
363 20 percent of the employees of the business are residents of an
364 enterprise zone, excluding temporary and part-time employees.
365 The certification shall be in writing, and a copy of the
366 certification shall be transmitted to the executive director of
367 the Department of Revenue. The business shall be responsible for
368 forwarding a certified application to the department within the
369 time specified in subparagraph 4.

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

373 5. The amount refunded on purchases of business property
374 under this paragraph shall be the lesser of 97 percent of the
375 sales tax paid on such business property or \$5,000, or, if no
376 less than 20 percent of the employees of the business are
377 residents of an enterprise zone, excluding temporary and part-

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378 time employees, the amount refunded on purchases of business
379 property under this paragraph shall be the lesser of 97 percent
380 of the sales tax paid on such business property or \$10,000. A
381 refund approved pursuant to this paragraph shall be made within
382 30 days of formal approval by the department of the application
383 for the refund. No refund shall be granted under this paragraph
384 unless the amount to be refunded exceeds \$100 in sales tax paid
385 on purchases made within a 60-day time period.

386 6. The department shall adopt rules governing the manner
387 and form of refund applications and may establish guidelines as
388 to the requisites for an affirmative showing of qualification
389 for exemption under this paragraph.

390 7. If the department determines that the business property
391 is used outside an enterprise zone within 3 years from the date
392 of purchase, the amount of taxes refunded to the business
393 purchasing such business property shall immediately be due and
394 payable to the department by the business, together with the
395 appropriate interest and penalty, computed from the date of
396 purchase, in the manner provided by this chapter.

397 Notwithstanding this subparagraph, business property used
398 exclusively in:

- 399 a. Licensed commercial fishing vessels,
400 b. Fishing guide boats, or
401 c. Ecotourism guide boats

402

403 that leave and return to a fixed location within an area
404 designated under s. 379.2353 are eligible for the exemption
405 provided under this paragraph if all requirements of this
406 paragraph are met. Such vessels and boats must be owned by a

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407 business that is eligible to receive the exemption provided
408 under this paragraph. This exemption does not apply to the
409 purchase of a vessel or boat.

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

416 9. For the purposes of this exemption, "business property"
417 means new or used property defined as "recovery property" in s.
418 168(c) of the Internal Revenue Code of 1954, as amended, except:

419 a. Property classified as 3-year property under s.
420 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

421 b. Industrial machinery and equipment as defined in sub-
422 subparagraph (b)6.a. and eligible for exemption under paragraph
423 (b);

424 c. Building materials as defined in sub-subparagraph
425 (g)8.a.; and

426 d. Business property having a sales price of under \$5,000
427 per unit.

428 10. This paragraph expires on the date specified in s.
429 290.016 for the expiration of the Florida Enterprise Zone Act
430 or, as it relates to energy economic zones, the date specified
431 in s. 377.809, if the Legislature repeals the Energy Economic
432 Zone Pilot Program.

433 (15) ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE OR ENERGY
434 ECONOMIC ZONE.—

435 (a) Beginning July 1, 1995, charges for electrical energy

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

455 (b) To receive this exemption, a business must file an
456 application, with the enterprise zone or local governing body
457 development agency having jurisdiction over the enterprise zone
458 or the energy economic zone where the business is located, on a
459 form provided by the department for the purposes of this
460 subsection and s. 166.231(8). The application shall be made
461 under oath and shall include:

- 462 1. The name and location of the business.
- 463 2. The identifying number assigned pursuant to s. 290.0065
464 to the enterprise zone in which the business is located or

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465 location of the energy economic zone.

466 3. The date on which electrical service is to be first
467 initiated to the business.

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

470 5. The date of the application.

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

472 7. If applicable, the name and address of each permanent
473 employee of the business including, for each employee who is a
474 resident of an enterprise zone or an energy economic zone, the
475 identifying number assigned pursuant to s. 290.0065 to the
476 enterprise zone in which the employee resides.

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

479 (c) Within 10 working days after receipt of an application,
480 the enterprise zone development agency or the local governing
481 body shall review the application to determine if it contains
482 all information required pursuant to paragraph (b) and meets the
483 criteria set out in this subsection. The agency shall certify
484 all applications that contain the information required pursuant
485 to paragraph (b) and meet the criteria set out in this
486 subsection as eligible to receive an exemption. If applicable,
487 the agency shall also certify if 20 percent of the employees of
488 the business are residents of an enterprise zone, excluding
489 temporary and part-time employees. The certification shall be in
490 writing, and a copy of the certification shall be transmitted to
491 the executive director of the Department of Revenue. The
492 applicant shall be responsible for forwarding a certified
493 application to the department within 6 months after the

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494 occurrence of the appropriate qualifying provision set out in
495 paragraph (f).

496 (d) If, in a subsequent audit conducted by the department,
497 it is determined that the business did not meet the criteria
498 mandated in this subsection, the amount of taxes exempted shall
499 immediately be due and payable to the department by the
500 business, together with the appropriate interest and penalty,
501 computed from the due date of each bill for the electrical
502 energy purchased as exempt under this subsection, in the manner
503 prescribed by this chapter.

504 (e) The department shall adopt rules governing applications
505 for, issuance of, and the form of applications for the exemption
506 for enterprise zones authorized in this subsection and
507 provisions for recapture of taxes exempted under this
508 subsection, and the department may establish guidelines as to
509 qualifications for exemption. For energy economic zones, the
510 local governing body shall develop an application for approval
511 by the Department of Revenue.

512 (f) For the purpose of the exemption provided in this
513 subsection, the term "qualified business" means a business that
514 ~~which~~ is:

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

518 2. Newly occupying an existing, remodeled, renovated, or
519 rehabilitated structure to which electrical service, other than
520 that used for remodeling, renovation, or rehabilitation of the
521 structure, has not been provided or furnished in the three
522 preceding billing periods; or

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

526 (g) This subsection expires on the date specified in s.
527 290.016 for the expiration of the Florida Enterprise Zone Act
528 or, as it relates to energy economic zones, the date specified
529 in s. 377.809, if the Legislature repeals the Energy Economic
530 Zone Pilot Program, except that:

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

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

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

539 212.096 Sales, rental, storage, use tax; enterprise zone
540 jobs credit against sales tax.—

541 (12) The tax credit authorized in this section may be used
542 by eligible businesses in an energy economic zone created under
543 s. 377.809. The credit must be calculated pursuant to subsection
544 (2), except that, for purposes of the energy economic zone, the
545 employee residency requirements apply to employees who are
546 residents of an enterprise zone or an energy economic zone. The
547 local governing body of the energy economic zone shall develop
548 an application in consultation with the Department of Revenue
549 which must include the applicable information required in
550 subsection (3). An eligible business must submit the completed
551 application to the local governing body that is responsible for

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552 review and certification as provided in this section, and all
553 other provisions of this section apply.

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

557 220.181 Enterprise zone jobs credit.—

558 (9) The tax credit authorized in this section is available
559 to eligible businesses in an energy economic zone created under
560 s. 377.809. The credit must be calculated pursuant to subsection
561 (1), except that, for purposes of the energy economic zone, the
562 employee residency requirements apply to employees who are
563 residents of an enterprise zone or an energy economic zone. The
564 local governing body of the energy economic zone shall develop
565 an application in consultation with the Department of Revenue
566 which must include the applicable information required in
567 subsection (2). A business must submit the completed application
568 to the local governing body that is responsible for review and
569 certification as provided in this section and all other
570 provisions of this section apply.

571 (10)~~(9)~~ This section, except paragraph (1)(c) and
572 subsection (8), expires on the date specified in s. 290.016 for
573 the expiration of the Florida Enterprise Zone Act or, as it
574 relates to energy economic zones, the date provided in s.
575 377.809, if the Legislature repeals the Energy Economic Zone
576 Pilot Program, and a business may not begin claiming the
577 enterprise zone or energy economic zone jobs credit after the
578 applicable ~~that~~ date; however, the expiration of this section
579 does not affect the operation of any credit for which a business
580 has qualified under this section before that date, or any

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581 carryforward of unused credit amounts as provided in paragraph
582 (1) (c).

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

586 220.182 Enterprise zone property tax credit.—

587 (14) The tax credit authorized in this section is available
588 to eligible businesses in an energy economic zone created
589 pursuant to s. 377.809. The credit must be calculated pursuant
590 to subsection (1), except that, for purposes of the energy
591 economic zone, the employee residency requirements apply to
592 employees who are residents of an enterprise zone or an energy
593 economic zone. The local governing body of the energy economic
594 zone shall develop an application in consultation with the
595 Department of Revenue which must include the information
596 required in subsection (11). A business must submit the
597 completed application to the local governing body that is
598 responsible for review and certification as provided in this
599 section, and all other provisions of this section apply.

600 (15)-(14) This section expires on the date specified in s.
601 290.016 for the expiration of the Florida Enterprise Zone Act
602 or, as it relates to energy economic zones, the date specified
603 in s. 377.809, if the Legislature repeals the Energy Economic
604 Zone Pilot Program, and a business may not begin claiming the
605 enterprise zone or energy economic zone property tax credit
606 after the applicable that date; however, the expiration of this
607 section does not affect the operation of any credit for which a
608 business has qualified under this section before that date, or
609 any carryforward of unused credit amounts as provided in

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610 paragraph (1)(b).

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

613 220.183 Community contribution tax credit.—

614 (2) ELIGIBILITY REQUIREMENTS.—

615 (c) The project must be undertaken by an “eligible
616 sponsor,” defined here as:

617 1. A community action program;

618 2. A nonprofit community-based development organization
619 whose mission is the provision of housing for low-income or
620 very-low-income households or increasing entrepreneurial and
621 job-development opportunities for low-income persons;

622 3. A neighborhood housing services corporation;

623 4. A local housing authority, created pursuant to chapter
624 421;

625 5. A community redevelopment agency, created pursuant to s.
626 163.356;

627 6. The Florida Industrial Development Corporation;

628 7. An historic preservation district agency or
629 organization;

630 8. A regional workforce board;

631 9. A direct-support organization as provided in s.
632 1009.983;

633 10. An enterprise zone development agency created pursuant
634 to s. 290.0056;

635 11. A local governing body that has jurisdiction of an
636 energy economic zone created pursuant to s. 377.809;

637 12.11. A community-based organization incorporated under
638 chapter 617 which is recognized as educational, charitable, or

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639 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
640 and whose bylaws and articles of incorporation include
641 affordable housing, economic development, or community
642 development as the primary mission of the corporation;
643 13.12. Units of local government;
644 14.13. Units of state government; or
645 15.14. Such other agency as the Office of Tourism, Trade,
646 and Economic Development may, from time to time, designate by
647 rule.

648

649 In no event shall a contributing business firm have a financial
650 interest in the eligible sponsor.

651 (d) The project shall be located in an area designated as
652 an enterprise zone or a Front Porch Florida Community pursuant
653 to s. 20.18(6) or an energy economic zone pursuant to s.
654 377.809. Any project designed to construct or rehabilitate
655 housing for low-income or very-low-income households as defined
656 in s. 420.9071(19) and (28) is exempt from the area requirement
657 of this paragraph. This section does not preclude projects that
658 propose to construct or rehabilitate housing for low-income or
659 very-low-income households on scattered sites. Any project
660 designed to provide increased access to high-speed broadband
661 capabilities which includes coverage of a rural enterprise zone
662 may locate the project's infrastructure in any area of a rural
663 county.

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

666 288.047 Quick-response training for economic development.-

667 (4) For the first 6 months of each fiscal year, Workforce

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668 Florida, Inc., shall set aside 30 percent of the amount
669 appropriated for the Quick-Response Training Program by the
670 Legislature to fund instructional programs for businesses
671 located in an enterprise zone, ~~or~~ brownfield area, or energy
672 economic zone created pursuant to s. 377.809. Any unencumbered
673 funds remaining undisbursed from this set-aside at the end of
674 the 6-month period may be used to provide funding for any
675 program qualifying for funding pursuant to this section.

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

678 288.063 Contracts for transportation projects.—

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

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697 Office of Tourism, Trade, and Economic Development may contact
698 any agency it deems appropriate for additional input regarding
699 the approval of projects.

700 Section 9. Subsection (2), paragraphs (b) and (c) of
701 subsection (3), paragraph (b) of subsection (4), and paragraph
702 (e) of subsection (6) of section 288.106, Florida Statutes, are
703 amended to read:

704 288.106 Tax refund program for qualified target industry
705 businesses.—

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

707 (a) "Account" means the Economic Development Incentives
708 Account within the Economic Development Trust Fund established
709 under s. 288.095.

710 (b) "Authorized local economic development agency" means a
711 public or private entity, including an entity defined in s.
712 288.075, authorized by a county or municipality to promote the
713 general business or industrial interests of that county or
714 municipality.

715 (c) "Average private sector wage in the area" means the
716 statewide private sector average wage or the average of all
717 private sector wages and salaries in the county or in the
718 standard metropolitan area in which the business is located.

719 (d) "Business" means an employing unit, as defined in s.
720 443.036, which ~~that~~ is registered for unemployment compensation
721 purposes with the state agency providing unemployment tax
722 collection services under contract with the Agency for Workforce
723 Innovation through an interagency agreement pursuant to s.
724 443.1316, or a subcategory or division of an employing unit that
725 is accepted by the state agency providing unemployment tax

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726 collection services as a reporting unit.

727 (e) "Corporate headquarters business" means an
728 international, national, or regional headquarters office of a
729 multinational or multistate business enterprise or national
730 trade association, whether separate from or connected with other
731 facilities used by such business.

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

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

736 (h)~~(g)~~ "Enterprise zone" means an area designated as an
737 enterprise zone pursuant to s. 290.0065.

738 (i)~~(h)~~ "Expansion of an existing business" means the
739 expansion of an existing Florida business by or through
740 additions to real and personal property, resulting in a net
741 increase in employment of not less than 10 percent at such
742 business.

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

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

753 (l)~~(k)~~ "Local financial support" means funding from local
754 sources, public or private, which ~~that~~ is paid to the Economic

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755 Development Trust Fund and which ~~that~~ is equal to 20 percent of
756 the annual tax refund for a qualified target industry business.
757 A qualified target industry business may not provide, directly
758 or indirectly, more than 5 percent of such funding in any fiscal
759 year. The sources of such funding may not include, directly or
760 indirectly, state funds appropriated from the General Revenue
761 Fund or any state trust fund, excluding tax revenues shared with
762 local governments pursuant to law.

763 (m) ~~(l)~~ "Local financial support exemption option" means the
764 option to exercise an exemption from the local financial support
765 requirement available to any applicant whose project is located
766 in a brownfield area, a rural city, or a rural community. Any
767 applicant that exercises this option is not eligible for more
768 than 80 percent of the total tax refunds allowed such applicant
769 under this section.

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

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

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

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

781 (r) ~~(q)~~ "Return on investment" means the gain in state
782 revenues as a percentage of the state's investment. The state's
783 investment includes state grants, tax exemptions, tax refunds,

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784 tax credits, and other state incentives.

785 (s)~~(r)~~ "Rural city" means a city having a population of
786 10,000 or fewer, or a city having a population of greater than
787 10,000 but fewer than 20,000 which ~~that~~ has been determined by
788 the office to have economic characteristics such as, but not
789 limited to, a significant percentage of residents on public
790 assistance, a significant percentage of residents with income
791 below the poverty level, or a significant percentage of the
792 city's employment base in agriculture-related industries.

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

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

795 2. A county having a population of 125,000 or fewer which
796 ~~that~~ is contiguous to a county having a population of 75,000 or
797 fewer.

798 3. A municipality within a county described in subparagraph
799 1. or subparagraph 2.

800

801 For purposes of this paragraph, population shall be determined
802 in accordance with the most recent official estimate pursuant to
803 s. 186.901.

804 (u)~~(t)~~ "Target industry business" means a corporate
805 headquarters business or any business that is engaged in one of
806 the target industries identified pursuant to the following
807 criteria developed by the office in consultation with Enterprise
808 Florida, Inc., or any business that is engaged in one of the
809 target industries identified by the local governing body of an
810 energy economic zone pursuant to an ordinance and approved by
811 the Office of Tourism, Trade, and Economic Development:

812 1. Future growth.—Industry forecasts should indicate strong

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813 expectation for future growth in both employment and output,
814 according to the most recent available data. Special
815 consideration should be given to businesses that export goods
816 to, or provide services in, international markets and businesses
817 that replace domestic and international imports of goods or
818 services.

819 2. Stability.—The industry should not be subject to
820 periodic layoffs, whether due to seasonality or sensitivity to
821 volatile economic variables such as weather. The industry should
822 also be relatively resistant to recession, so that the demand
823 for products of this industry is not typically subject to
824 decline during an economic downturn.

825 3. High wage.—The industry should pay relatively high wages
826 compared to statewide or area averages.

827 4. Market and resource independent.—The location of
828 industry businesses should not be dependent on Florida markets
829 or resources as indicated by industry analysis, except for
830 businesses in the renewable energy industry or a business
831 located in an energy economic zone.

832 5. Industrial base diversification and strengthening.—The
833 industry should contribute toward expanding or diversifying the
834 state's or area's economic base, as indicated by analysis of
835 employment and output shares compared to national and regional
836 trends. Special consideration should be given to industries that
837 strengthen regional economies by adding value to basic products
838 or building regional industrial clusters as indicated by
839 industry analysis. Special consideration should also be given to
840 the development of strong industrial clusters that include
841 defense and homeland security businesses.

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842 6. Economic benefits.—The industry is expected to have
843 strong positive impacts on or benefits to the state or regional
844 economies.

845
846 The term does not include any business engaged in retail
847 industry activities; any electrical utility company; any
848 phosphate or other solid minerals severance, mining, or
849 processing operation; any oil or gas exploration or production
850 operation; or any business subject to regulation by the Division
851 of Hotels and Restaurants of the Department of Business and
852 Professional Regulation. Any business within NAICS code 5611 or
853 5614, office administrative services and business support
854 services, respectively, may be considered a target industry
855 business only after the local governing body and Enterprise
856 Florida, Inc., make a determination that the community where the
857 business may locate has conditions affecting the fiscal and
858 economic viability of the local community or area, including but
859 not limited to, factors such as low per capita income, high
860 unemployment, high underemployment, and a lack of year-round
861 stable employment opportunities, and such conditions may be
862 improved by the location of such a business to the community.
863 Any business excluded by this paragraph is considered a target
864 industry business within an energy economic zone only after the
865 local governing body and the Office of Tourism, Trade, and
866 Economic Development determine that the industry has been
867 identified as a target industry pursuant to local ordinance, and
868 that the establishment of the business in the energy economic
869 zone is consistent with the goals and strategic plan of the
870 energy economic zone. By January 1 of every 3rd year, beginning

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871 January 1, 2011, the office, in consultation with Enterprise
872 Florida, Inc., economic development organizations, the State
873 University System, local governments, employee and employer
874 organizations, market analysts, and economists, shall review
875 and, as appropriate, revise the list of such target industries
876 and submit the list to the Governor, the President of the
877 Senate, and the Speaker of the House of Representatives.

878 (v)~~(u)~~ "Taxable year" means taxable year as defined in s.
879 220.03(1)(y).

880 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

881 (b)1. Upon approval by the office, a qualified target
882 industry business shall be allowed tax refund payments equal to
883 \$3,000 multiplied by the number of jobs specified in the tax
884 refund agreement under subparagraph (5)(a)1., or equal to \$6,000
885 multiplied by the number of jobs if the project is located in a
886 rural community, ~~or~~ an enterprise zone, or an energy economic
887 zone.

888 2. A qualified target industry business shall be allowed
889 additional tax refund payments equal to \$1,000 multiplied by the
890 number of jobs specified in the tax refund agreement under
891 subparagraph (5)(a)1. if such jobs pay an annual average wage of
892 at least 150 percent of the average private sector wage in the
893 area, or equal to \$2,000 multiplied by the number of jobs if
894 such jobs pay an annual average wage of at least 200 percent of
895 the average private sector wage in the area.

896 3. A qualified target industry business shall be allowed
897 tax refund payments in addition to the other payments authorized
898 in this paragraph equal to \$1,000 multiplied by the number of
899 jobs specified in the tax refund agreement under subparagraph

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900 (5) (a) 1. if the local financial support is equal to that of the
901 state's incentive award under subparagraph 1.

902 4. In addition to the other tax refund payments authorized
903 in this paragraph, a qualified target industry business shall be
904 allowed a tax refund payment equal to \$2,000 multiplied by the
905 number of jobs specified in the tax refund agreement under
906 subparagraph (5) (a) 1. if the business:

907 a. Falls within one of the high-impact sectors designated
908 under s. 288.108; or

909 b. Increases exports of its goods through a seaport or
910 airport in the state by at least 10 percent in value or tonnage
911 in each of the years that the business receives a tax refund
912 under this section. For purposes of this sub-subparagraph,
913 seaports in the state are limited to the ports of Jacksonville,
914 Tampa, Port Everglades, Miami, Port Canaveral, Ft. Pierce, Palm
915 Beach, Port Manatee, Port St. Joe, Panama City, St. Petersburg,
916 Pensacola, Fernandina, and Key West.

917 (c) A qualified target industry business may not receive
918 refund payments of more than 25 percent of the total tax refunds
919 specified in the tax refund agreement under subparagraph
920 (5) (a) 1. in any fiscal year. Further, a qualified target
921 industry business may not receive more than \$1.5 million in
922 refunds under this section in any single fiscal year, or more
923 than \$2.5 million in any single fiscal year if the project is
924 located in an enterprise zone or an energy economic zone. A
925 qualified target industry business may not receive more than \$5
926 million in refund payments under this section in all fiscal
927 years, or more than \$7.5 million if the project is located in an
928 enterprise zone or an energy economic zone.

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929 (4) APPLICATION AND APPROVAL PROCESS.—

930 (b) To qualify for review by the office, the application of
931 a target industry business must, at a minimum, establish the
932 following to the satisfaction of the office:

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

948 b. The office may waive the average wage requirement at the
949 request of the local governing body recommending the project and
950 Enterprise Florida, Inc. The office may waive the wage
951 requirement for a project located in a brownfield area
952 designated under s. 376.80, in a rural city, in a rural
953 community, in an enterprise zone, or for a manufacturing project
954 at any location in the state if the jobs proposed to be created
955 pay an estimated annual average wage equaling at least 100
956 percent of the average private sector wage in the area where the
957 business is to be located, only if the merits of the individual

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958 project or the specific circumstances in the community in
959 relationship to the project warrant such action. If the local
960 governing body and Enterprise Florida, Inc., make such a
961 recommendation, it must be transmitted in writing, and the
962 specific justification for the waiver recommendation must be
963 explained. If the office elects to waive the wage requirement,
964 the waiver must be stated in writing, and the reasons for
965 granting the waiver must be explained.

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

981 3. The business activity or product for the applicant's
982 project must be within an industry identified by the office as a
983 target industry business that contributes to the economic growth
984 of the state and the area in which the business is located, that
985 produces a higher standard of living for residents of this state
986 in the new global economy, or that can be shown to make an

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987 equivalent contribution to the area's and state's economic
988 progress.

989 (6) ANNUAL CLAIM FOR REFUND.—

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

995 1. It has achieved at least 80 percent of its projected
996 employment; and

997 2. The average wage paid by the business is at least 90
998 percent of the average wage specified in the tax refund
999 agreement, but in no case less than 115 percent of the average
1000 private sector wage in the area available at the time of
1001 certification, except within an energy economic zone, or 150
1002 percent or 200 percent of the average private sector wage if the
1003 business requested the additional per-job tax refund authorized
1004 in paragraph (3)(b) for wages above those levels. The prorated
1005 tax refund shall be calculated by multiplying the tax refund
1006 amount for which the qualified target industry business would
1007 have been eligible, if all applicable requirements had been
1008 satisfied, by the percentage of the average employment specified
1009 in the tax refund agreement which was achieved, and by the
1010 percentage of the average wages specified in the tax refund
1011 agreement which was achieved.

1012 Section 10. Subsection (4) of section 377.809, Florida
1013 Statutes, is amended, and subsections (5) through (8) are added
1014 to that section, to read:

1015 377.809 Energy Economic Zone Pilot Program.—

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1016 (4) ~~If the pilot project is ongoing,~~ The Department of
1017 Community Affairs, with the assistance of the Office of Tourism,
1018 Trade, and Economic Development, shall submit a report to the
1019 Governor, the President of the Senate, and the Speaker of the
1020 House of Representatives by February 15, 2015 ~~2012~~, evaluating
1021 whether the pilot program has demonstrated success. The report
1022 shall contain recommendations with regard to whether the program
1023 should be expanded for use by other local governments and
1024 whether state policies should be revised to encourage the goals
1025 of the program.

1026 (5) Beginning July 1, 2011, and after the adoption of an
1027 ordinance by the local governing body of an energy economic
1028 zone, the incentives in this subsection are available to
1029 eligible businesses.

1030 (a) The following fiscal incentives are available to
1031 eligible businesses:

- 1032 1. The jobs credit provided in s. 220.181.
- 1033 2. The property tax credit provided in s. 220.182.
- 1034 3. The community contribution tax credits provided in ss.
1035 212.08, 220.183, and 624.5105.
- 1036 4. The sales tax exemption for building materials used in
1037 the rehabilitation of real property provided in s. 212.08(5)(g).
- 1038 5. The sales tax exemption for business equipment provided
1039 in s. 212.08(5)(h).
- 1040 6. The sales tax exemption for electrical energy provided
1041 in s. 212.08(15).
- 1042 7. The jobs credit against the sales tax provided in s.
1043 212.096.
- 1044 8. The tax refund for qualified target industries provided

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1045 in s. 288.106.

1046 (b) The following regulatory incentives are available to
1047 eligible businesses:

1048 1. The governing body of an energy economic zone may use
1049 the comprehensive plan amendment procedures provided in s.
1050 163.32465(3)-(5) for comprehensive plan amendments within the
1051 energy economic zone and the regulatory exceptions for dense
1052 urban land areas as defined in s. 163.3164(34).

1053 2. Density and intensity bonuses for energy-efficient
1054 development within a designated energy economic zone may not be
1055 calculated as part of the development capacity for purposes of
1056 chapter 163 or rule 9J-5, Florida Administrative Code.
1057 Comprehensive plan amendments relating to energy economic zones
1058 are not subject to the twice-yearly limitation provisions of s.
1059 163.3187(1).

1060 3. Notwithstanding the provisions of part II of chapter 163
1061 and the rules adopted thereunder, if the application of such
1062 provisions conflicts with the goals of an energy economic zone
1063 created pursuant to this section, the provisions of this section
1064 prevail. Any agency or judicial review of development within the
1065 energy economic zone is limited to the extent to which the
1066 amendment furthers the goals contained in this section.

1067 (c) Notwithstanding any law to the contrary, a public
1068 utility may grant discounts of up to 50 percent on tariffed
1069 rates for services to small businesses located in an energy
1070 economic zone designated pursuant to this section. Such
1071 discounts may be granted for not more than 5 years. For purposes
1072 of this subsection, the term "public utility" has the same
1073 meaning as in s. 366.02(1).

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1074 (d) Projects located in the energy economic zone shall be
1075 given priority ranking to the extent practicable in the
1076 application and awards process for grants administered by the
1077 Florida Energy and Climate Commission or any other state energy
1078 program, for appropriate economic development programs, or for
1079 grants from other applicable sources such as qualified energy
1080 conservation bonds.

1081 (e) For purposes of eligibility criteria for the incentives
1082 specified in this subsection, the terms "energy-efficiency
1083 development" and "clean technology industries and businesses"
1084 may include a diverse range of products, services, and processes
1085 that harness renewable materials and energy sources and reduce
1086 the use of natural resources, reduce greenhouse gas emissions,
1087 and result in energy conservation.

1088 (6) In order for fiscal and regulatory incentives in
1089 subsection (5) to be provided, the local governing body must:

1090 (a) Certify to the Department of Revenue, the Department of
1091 Community Affairs, and the Office of Tourism, Trade, and
1092 Economic Development the pilot community's developments and
1093 businesses eligible to receive the incentives applicable to the
1094 energy economic zone. Boundaries of the energy economic zone may
1095 be revised by the local governing body upon approval by the
1096 Department of Community Affairs.

1097 (b) Designate the energy economic zone by ordinance, which
1098 may also include:

1099 1. Identification of local and state incentives from among
1100 those in subsection (5) which apply within the energy economic
1101 zone.

1102 2. A description of the clean technology industries and

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1103 businesses that will be eligible to receive the incentives.

1104 3. A description of the Leadership in Energy and
1105 Environmental Design (LEED) standards or the standards of
1106 another professionally adopted green building code applicable to
1107 eligibility for the exemptions provided in s. 212.08(5) for
1108 certain building materials and business property within the
1109 pilot community's energy economic zone.

1110 (7) Effective July 1, 2011, the total amount of credits,
1111 refunds, and exemptions that may be granted for energy economic
1112 zone incentives pursuant to subsection (5) is \$300,000 per
1113 designated energy economic zone in any fiscal year, for a total
1114 maximum allowable amount of \$600,000 each year. A credit or
1115 refund that is claimed after each \$300,000 limit is reached
1116 shall be disallowed. If the credit or refund limit is not fully
1117 used in any one state fiscal year, the unused amount may be
1118 carried forward for no more than 5 years. Credit that is carried
1119 over may be used in a subsequent year if the tax for that year
1120 exceeds the credit for that year after applying the other
1121 credits and unused credit that were carried over. The local
1122 governing body having jurisdiction over the energy economic zone
1123 is responsible for the tracking of and accounting for the levels
1124 of credits and refunds granted and credit for unused amounts
1125 each year which may be carried over from a previous year. All
1126 credits, refunds, and exemptions shall be reviewed pursuant to
1127 subsection (4).

1128 (8) (a) Upon application to and approval by the Office of
1129 Tourism, Trade, and Economic Development, an eligible industry
1130 or business located within an energy economic zone may elect to
1131 transfer, in whole or in part, any unused credit granted under

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1132 subsection (5), with the exception of the tax credit allowed
1133 under s. 624.5105. An election to transfer any unused tax credit
1134 or refund amount must be made no later than 5 years after the
1135 date the credit is awarded, after which time the credit expires
1136 and may not be used. The Office of Tourism, Trade, and Economic
1137 Development shall notify the Department of Revenue of these
1138 elections and transfers.

1139 (b) An eligible industry or business located within an
1140 energy economic zone which elects to apply a credit amount
1141 against taxes or refunds remitted under chapter 212 is permitted
1142 a one-time transfer of such unused credits to one transferee. An
1143 eligible industry or business located in an energy economic zone
1144 which elects to apply a credit amount against taxes due under
1145 chapter 220 is permitted a one-time transfer of unused credits
1146 to no more than four transferees, and such transfers must occur
1147 in the same taxable year.

1148 (c) The transferee is subject to the same rights and
1149 limitations as the industry or business located in an energy
1150 economic zone awarded the tax credit, except that the transferee
1151 may not sell or otherwise transfer the tax credit.

1152 Section 11. Paragraph (a) of subsection (3) of section
1153 445.003, Florida Statutes, is amended to read:

1154 445.003 Implementation of the federal Workforce Investment
1155 Act of 1998.—

1156 (3) FUNDING.—

1157 (a) Title I, Workforce Investment Act of 1998 funds;
1158 Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended
1159 based on the 5-year plan of Workforce Florida, Inc. The plan
1160 shall outline and direct the method used to administer and

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1161 coordinate various funds and programs that are operated by
1162 various agencies. The following provisions shall also apply to
1163 these funds:

1164 1. At least 50 percent of the Title I funds for Adults and
1165 Dislocated Workers which ~~that~~ are passed through to regional
1166 workforce boards shall be allocated to Individual Training
1167 Accounts unless a regional workforce board obtains a waiver from
1168 Workforce Florida, Inc. Tuition and fees qualify as an
1169 Individual Training Account expenditure, as do other programs
1170 developed by regional workforce boards in compliance with
1171 policies of Workforce Florida, Inc.

1172 2. Fifteen percent of Title I funding shall be retained at
1173 the state level and shall be dedicated to state administration
1174 and used to design, develop, induce, and fund innovative
1175 Individual Training Account pilots, demonstrations, and
1176 programs. Of such funds retained at the state level, \$2 million
1177 shall be reserved for the Incumbent Worker Training Program,
1178 created under subparagraph 3. Eligible state administration
1179 costs include the costs of: funding for the board and staff of
1180 Workforce Florida, Inc.; operating fiscal, compliance, and
1181 management accountability systems through Workforce Florida,
1182 Inc.; conducting evaluation and research on workforce
1183 development activities; and providing technical and capacity
1184 building assistance to regions at the direction of Workforce
1185 Florida, Inc. Notwithstanding s. 445.004, such administrative
1186 costs shall not exceed 25 percent of these funds. An amount not
1187 to exceed 75 percent of these funds shall be allocated to
1188 Individual Training Accounts and other workforce development
1189 strategies for other training designed and tailored by Workforce

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1190 Florida, Inc., including, but not limited to, programs for
1191 incumbent workers, displaced homemakers, nontraditional
1192 employment, and enterprise zones. Workforce Florida, Inc., shall
1193 design, adopt, and fund Individual Training Accounts for
1194 distressed urban and rural communities.

1195 3. The Incumbent Worker Training Program is created for the
1196 purpose of providing grant funding for continuing education and
1197 training of incumbent employees at existing Florida businesses.
1198 The program will provide reimbursement grants to businesses that
1199 pay for preapproved, direct, training-related costs.

1200 a. The Incumbent Worker Training Program will be
1201 administered by Workforce Florida, Inc. Workforce Florida, Inc.,
1202 at its discretion, may contract with a private business
1203 organization to serve as grant administrator.

1204 b. To be eligible for the program's grant funding, a
1205 business must have been in operation in Florida for a minimum of
1206 1 year prior to the application for grant funding; have at least
1207 one full-time employee; demonstrate financial viability; and be
1208 current on all state tax obligations. Priority for funding shall
1209 be given to businesses with 25 employees or fewer, businesses in
1210 rural areas, businesses in distressed inner-city areas,
1211 businesses in a qualified targeted industry, businesses whose
1212 grant proposals represent a significant upgrade in employee
1213 skills, businesses in an energy economic zone created pursuant
1214 to s. 377.809, or businesses whose grant proposals represent a
1215 significant layoff avoidance strategy.

1216 c. All costs reimbursed by the program must be preapproved
1217 by Workforce Florida, Inc., or the grant administrator. The
1218 program will not reimburse businesses for trainee wages, the

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1219 purchase of capital equipment, or the purchase of any item or
1220 service that may possibly be used outside the training project.
1221 A business approved for a grant may be reimbursed for
1222 preapproved, direct, training-related costs including tuition;
1223 fees; books and training materials; and overhead or indirect
1224 costs not to exceed 5 percent of the grant amount.

1225 d. A business that is selected to receive grant funding
1226 must provide a matching contribution to the training project,
1227 including, but not limited to, wages paid to trainees or the
1228 purchase of capital equipment used in the training project; must
1229 sign an agreement with Workforce Florida, Inc., or the grant
1230 administrator to complete the training project as proposed in
1231 the application; must keep accurate records of the project's
1232 implementation process; and must submit monthly or quarterly
1233 reimbursement requests with required documentation.

1234 e. All Incumbent Worker Training Program grant projects
1235 shall be performance-based with specific measurable performance
1236 outcomes, including completion of the training project and job
1237 retention. Workforce Florida, Inc., or the grant administrator
1238 shall withhold the final payment to the grantee until a final
1239 grant report is submitted and all performance criteria specified
1240 in the grant contract have been achieved.

1241 f. Workforce Florida, Inc., may establish guidelines
1242 necessary to implement the Incumbent Worker Training Program.

1243 g. No more than 10 percent of the Incumbent Worker Training
1244 Program's total appropriation may be used for overhead or
1245 indirect purposes.

1246 4. At least 50 percent of Rapid Response funding shall be
1247 dedicated to Intensive Services Accounts and Individual Training

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1248 Accounts for dislocated workers and incumbent workers who are at
 1249 risk of dislocation. Workforce Florida, Inc., shall also
 1250 maintain an Emergency Preparedness Fund from Rapid Response
 1251 funds which will immediately issue Intensive Service Accounts
 1252 and Individual Training Accounts as well as other federally
 1253 authorized assistance to eligible victims of natural or other
 1254 disasters. At the direction of the Governor, for events that
 1255 qualify under federal law, these Rapid Response funds shall be
 1256 released to regional workforce boards for immediate use. Funding
 1257 shall also be dedicated to maintain a unit at the state level to
 1258 respond to Rapid Response emergencies around the state, to work
 1259 with state emergency management officials, and to work with
 1260 regional workforce boards. All Rapid Response funds must be
 1261 expended based on a plan developed by Workforce Florida, Inc.,
 1262 and approved by the Governor.

1263 Section 12. Paragraph (h) of subsection (1) of section
 1264 220.191, Florida Statutes, is amended to read:

1265 220.191 Capital investment tax credit.—

1266 (1) DEFINITIONS.—For purposes of this section:

1267 (h) "Qualifying project" means:

1268 1. A new or expanding facility in this state which creates
 1269 at least 100 new jobs in this state and is in one of the high-
 1270 impact sectors identified by Enterprise Florida, Inc., and
 1271 certified by the office pursuant to s. 288.108(6), including,
 1272 but not limited to, aviation, aerospace, automotive, and silicon
 1273 technology industries;

1274 2. A new or expanded facility in this state which is
 1275 engaged in a target industry designated pursuant to the
 1276 procedure specified in s. 288.106(2)(u) ~~288.106(2)(t)~~ and which

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1277 is induced by this credit to create or retain at least 1,000
1278 jobs in this state, provided that at least 100 of those jobs are
1279 new, pay an annual average wage of at least 130 percent of the
1280 average private sector wage in the area as defined in s.
1281 288.106(2), and make a cumulative capital investment of at least
1282 \$100 million after July 1, 2005. Jobs may be considered retained
1283 only if there is significant evidence that the loss of jobs is
1284 imminent. Notwithstanding subsection (2), annual credits against
1285 the tax imposed by this chapter shall not exceed 50 percent of
1286 the increased annual corporate income tax liability or the
1287 premium tax liability generated by or arising out of a project
1288 qualifying under this subparagraph. A facility that qualifies
1289 under this subparagraph for an annual credit against the tax
1290 imposed by this chapter may take the tax credit for a period not
1291 to exceed 5 years; or

1292 3. A new or expanded headquarters facility in this state
1293 which locates in an enterprise zone and brownfield area and is
1294 induced by this credit to create at least 1,500 jobs which on
1295 average pay at least 200 percent of the statewide average annual
1296 private sector wage, as published by the Agency for Workforce
1297 Innovation or its successor, and which new or expanded
1298 headquarters facility makes a cumulative capital investment in
1299 this state of at least \$250 million.

1300 Section 13. This act shall take effect July 1, 2011.