

By the Committee on Commerce and Tourism; and 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 waiving certain minimum average wage requirements for
66 target industry businesses located in an energy
67 economic zone; excluding qualified target industry
68 businesses within an energy economic zone from the
69 minimum average wage requirements; amending s.
70 377.809, F.S.; extending to February 15, 2015, the
71 deadline for submission by the Department of Community
72 Affairs of its report evaluating the energy economic
73 zone pilot program; expanding the Energy Economic Zone
74 Pilot Program to provide fiscal and regulatory
75 incentives for eligible businesses; providing criteria
76 for receiving fiscal and regulatory incentives;
77 allowing public utilities to grant certain discounts
78 to small businesses located in an energy economic
79 zone; providing for additional incentives; giving
80 priority ranking to certain business located in energy
81 economic zones for grants administered by the Florida
82 Energy and Climate Commission or for other grants or
83 programs; clarifying terms relating to energy economic
84 zone eligibility criteria; requiring the local
85 governing body to certify to the Department of
86 Revenue, the Department of Community Affairs, and the
87 Office of Tourism, Trade, and Economic Development the

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

104
105 Be It Enacted by the Legislature of the State of Florida:

106
107 Section 1. Subsection (2) of section 163.32465, Florida
108 Statutes, is amended to read:

109 163.32465 State review of local comprehensive plans in
110 urban areas.—

111 (2) ALTERNATIVE STATE REVIEW PROCESS PILOT PROGRAM.—
112 Pinellas and Broward Counties, ~~and~~ the municipalities within
113 these counties, ~~and~~ Jacksonville, Miami, Tampa, and Hialeah, and
114 areas designated as energy economic zones created under s.
115 377.809 shall follow an alternative state review process
116 provided in this section. Municipalities within the pilot

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117 counties may elect, by super majority vote of the governing
118 body, not to participate in the pilot program. In addition to
119 the pilot program jurisdictions, any local government may use
120 the alternative state review process to designate an urban
121 service area as defined in s. 163.3164(29) in its comprehensive
122 plan.

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

126 212.08 Sales, rental, use, consumption, distribution, and
127 storage tax; specified exemptions.—The sale at retail, the
128 rental, the use, the consumption, the distribution, and the
129 storage to be used or consumed in this state of the following
130 are hereby specifically exempt from the tax imposed by this
131 chapter.

132 (5) EXEMPTIONS; ACCOUNT OF USE.—

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

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

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146 the burning of nonresidual fuel shall not reduce the exemption
147 otherwise available under this paragraph.

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

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

170 (g) *Building materials used in the rehabilitation of real*
171 *property located in an enterprise zone or an energy economic*
172 *zone.*—

173 1. Building materials used in the rehabilitation of real
174 property located in an enterprise zone or in an energy economic

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

- 193 a. The name and address of the person claiming the refund.
- 194 b. An address and assessment roll parcel number of the
195 rehabilitated real property for which a refund of previously
196 paid taxes is being sought.
- 197 c. A description of the improvements made to accomplish the
198 rehabilitation of the real property.
- 199 d. A copy of a valid building permit issued by the county
200 or municipal building department for the rehabilitation of the
201 real property.
- 202 e. A sworn statement, under penalty of perjury, from the
203 general contractor licensed in this state with whom the

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

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

224 g. A certification by the local building code inspector
225 that the improvements necessary to rehabilitate the real
226 property are substantially completed.

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

229 i. If applicable, the name and address of each permanent
230 employee of the business, including, for each employee who is a
231 resident of an enterprise zone or an energy economic zone, the
232 identifying number assigned pursuant to s. 290.0065 to the

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233 enterprise zone in which the employee resides.

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

251 3. Within 10 working days after receipt of an application,
252 the governing body or enterprise zone development agency shall
253 review the application to determine if it contains all the
254 information required by subparagraph 1. or subparagraph 2. and
255 meets the criteria set out in this paragraph. The governing body
256 or agency shall certify all applications that contain the
257 required information and are eligible to receive a refund. If
258 applicable, the governing body or agency shall also certify if
259 20 percent of the employees of the business are residents of an
260 enterprise zone, excluding temporary and part-time employees.
261 The certification must be in writing, and a copy of the

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262 certification shall be transmitted to the executive director of
263 the department. The applicant is responsible for forwarding a
264 certified application to the department within the time
265 specified in subparagraph 4.

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

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

287 6. The department shall adopt rules governing the manner
288 and form of refund applications and may establish guidelines as
289 to the requisites for an affirmative showing of qualification
290 for exemption under this paragraph.

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

297 8. For the purposes of the exemption provided in this
298 paragraph, the term:

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

301 b. "Real property" has the same meaning as provided in s.
302 192.001(12), except that the term does not include a condominium
303 parcel or condominium property as defined in s. 718.103.

304 c. "Rehabilitation of real property" means the
305 reconstruction, renovation, restoration, rehabilitation,
306 construction, or expansion of improvements to real property.

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

309 9. This paragraph expires on the date specified in s.
310 290.016 for the expiration of the Florida Enterprise Zone Act
311 or, as it relates to energy economic zones, the date specified
312 in s. 377.809, if the Legislature repeals the Energy Economic
313 Zone Pilot Program.

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

316 1. Business property purchased for use by businesses
317 located in an enterprise zone or in an energy economic zone that
318 is deemed eligible by ordinance pursuant to s. 377.809 which is
319 subsequently used in an enterprise zone or an energy economic

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320 zone shall be exempt from the tax imposed by this chapter. This
321 exemption inures to the business only through a refund of
322 previously paid taxes. A refund shall be authorized upon an
323 affirmative showing by the taxpayer to the satisfaction of the
324 department that the requirements of this paragraph have been
325 met.

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

331 a. The name and address of the business claiming the
332 refund.

333 b. The identifying number assigned pursuant to s. 290.0065
334 to the enterprise zone in which the business is located or the
335 location of the energy economic zone.

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

339 d. The location of the property.

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

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

346 g. If applicable, the name and address of each permanent
347 employee of the business, including, for each employee who is a
348 resident of an enterprise zone or an energy economic zone, the

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349 identifying number assigned pursuant to s. 290.0065 to the
350 enterprise zone in which the employee resides.

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

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

370 5. The amount refunded on purchases of business property
371 under this paragraph shall be the lesser of 97 percent of the
372 sales tax paid on such business property or \$5,000, or, if no
373 less than 20 percent of the employees of the business are
374 residents of an enterprise zone, excluding temporary and part-
375 time employees, the amount refunded on purchases of business
376 property under this paragraph shall be the lesser of 97 percent
377 of the sales tax paid on such business property or \$10,000. A

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378 refund approved pursuant to this paragraph shall be made within
379 30 days of formal approval by the department of the application
380 for the refund. No refund shall be granted under this paragraph
381 unless the amount to be refunded exceeds \$100 in sales tax paid
382 on purchases made within a 60-day time period.

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

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

394 Notwithstanding this subparagraph, business property used
395 exclusively in:

- 396 a. Licensed commercial fishing vessels,
397 b. Fishing guide boats, or
398 c. Ecotourism guide boats

399
400 that leave and return to a fixed location within an area
401 designated under s. 379.2353 are eligible for the exemption
402 provided under this paragraph if all requirements of this
403 paragraph are met. Such vessels and boats must be owned by a
404 business that is eligible to receive the exemption provided
405 under this paragraph. This exemption does not apply to the
406 purchase of a vessel or boat.

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

413 9. For the purposes of this exemption, "business property"
414 means new or used property defined as "recovery property" in s.
415 168(c) of the Internal Revenue Code of 1954, as amended, except:

416 a. Property classified as 3-year property under s.

417 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

418 b. Industrial machinery and equipment as defined in sub-
419 subparagraph (b)6.a. and eligible for exemption under paragraph
420 (b);

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

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

425 10. This paragraph expires on the date specified in s.
426 290.016 for the expiration of the Florida Enterprise Zone Act
427 or, as it relates to energy economic zones, the date specified
428 in s. 377.809, if the Legislature repeals the Energy Economic
429 Zone Pilot Program.

430 (15) ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE OR ENERGY
431 ECONOMIC ZONE.—

432 (a) Beginning July 1, 1995, charges for electrical energy
433 used by a qualified business at a fixed location in an
434 enterprise zone in a municipality that ~~which~~ has enacted an
435 ordinance pursuant to s. 166.231(8) which provides for exemption

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

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

459 1. The name and location of the business.

460 2. The identifying number assigned pursuant to s. 290.0065
461 to the enterprise zone in which the business is located or
462 location of the energy economic zone.

463 3. The date on which electrical service is to be first
464 initiated to the business.

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

467 5. The date of the application.

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

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

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

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

493 (d) If, in a subsequent audit conducted by the department,

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

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

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

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

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

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

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523 (g) This subsection expires on the date specified in s.
524 290.016 for the expiration of the Florida Enterprise Zone Act
525 or, as it relates to energy economic zones, the date specified
526 in s. 377.809, if the Legislature repeals the Energy Economic
527 Zone Pilot Program, except that:

- 528 1. Paragraph (d) shall not expire; and
529 2. Any qualified business that ~~which~~ has been granted an
530 exemption under this subsection prior to that date shall be
531 allowed the full benefit of this exemption as if this subsection
532 had not expired on that date.

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

536 212.096 Sales, rental, storage, use tax; enterprise zone
537 jobs credit against sales tax.—

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

551 Section 4. Present subsection (9) of section 220.181,

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552 Florida Statutes, is amended and renumbered as subsection (10),
553 and a new subsection (9) is added to that section, to read:

554 220.181 Enterprise zone jobs credit.—

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

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

580 Section 5. Present subsection (14) of section 220.182,

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581 Florida Statutes, is amended and renumbered as subsection (15),
582 and a new subsection (14) is added to that section, to read:

583 220.182 Enterprise zone property tax credit.—

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

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

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

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- 610 220.183 Community contribution tax credit.—
- 611 (2) ELIGIBILITY REQUIREMENTS.—
- 612 (c) The project must be undertaken by an “eligible
- 613 sponsor,” defined here as:
- 614 1. A community action program;
- 615 2. A nonprofit community-based development organization
- 616 whose mission is the provision of housing for low-income or
- 617 very-low-income households or increasing entrepreneurial and
- 618 job-development opportunities for low-income persons;
- 619 3. A neighborhood housing services corporation;
- 620 4. A local housing authority, created pursuant to chapter
- 621 421;
- 622 5. A community redevelopment agency, created pursuant to s.
- 623 163.356;
- 624 6. The Florida Industrial Development Corporation;
- 625 7. An historic preservation district agency or
- 626 organization;
- 627 8. A regional workforce board;
- 628 9. A direct-support organization as provided in s.
- 629 1009.983;
- 630 10. An enterprise zone development agency created pursuant
- 631 to s. 290.0056;
- 632 11. A local governing body that has jurisdiction of an
- 633 energy economic zone created pursuant to s. 377.809;
- 634 12.11. A community-based organization incorporated under
- 635 chapter 617 which is recognized as educational, charitable, or
- 636 scientific pursuant to s. 501(c) (3) of the Internal Revenue Code
- 637 and whose bylaws and articles of incorporation include
- 638 affordable housing, economic development, or community

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639 development as the primary mission of the corporation;

640 ~~13.12.~~ Units of local government;

641 ~~14.13.~~ Units of state government; or

642 ~~15.14.~~ Such other agency as the Office of Tourism, Trade,
643 and Economic Development may, from time to time, designate by
644 rule.

645

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

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

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

663 288.047 Quick-response training for economic development.-

664 (4) For the first 6 months of each fiscal year, Workforce
665 Florida, Inc., shall set aside 30 percent of the amount
666 appropriated for the Quick-Response Training Program by the
667 Legislature to fund instructional programs for businesses

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668 located in an enterprise zone, ~~or~~ brownfield area, or energy
669 economic zone created pursuant to s. 377.809. Any unencumbered
670 funds remaining undisbursed from this set-aside at the end of
671 the 6-month period may be used to provide funding for any
672 program qualifying for funding pursuant to this section.

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

675 288.063 Contracts for transportation projects.-

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

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

701 288.106 Tax refund program for qualified target industry
702 businesses.—

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

704 (a) "Account" means the Economic Development Incentives
705 Account within the Economic Development Trust Fund established
706 under s. 288.095.

707 (b) "Authorized local economic development agency" means a
708 public or private entity, including an entity defined in s.
709 288.075, authorized by a county or municipality to promote the
710 general business or industrial interests of that county or
711 municipality.

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

716 (d) "Business" means an employing unit, as defined in s.
717 443.036, which ~~that~~ is registered for unemployment compensation
718 purposes with the state agency providing unemployment tax
719 collection services under contract with the Agency for Workforce
720 Innovation through an interagency agreement pursuant to s.
721 443.1316, or a subcategory or division of an employing unit that
722 is accepted by the state agency providing unemployment tax
723 collection services as a reporting unit.

724 (e) "Corporate headquarters business" means an
725 international, national, or regional headquarters office of a

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726 multinational or multistate business enterprise or national
727 trade association, whether separate from or connected with other
728 facilities used by such business.

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

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

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

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

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

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

750 (l)~~(k)~~ "Local financial support" means funding from local
751 sources, public or private, which ~~that~~ is paid to the Economic
752 Development Trust Fund and which ~~that~~ is equal to 20 percent of
753 the annual tax refund for a qualified target industry business.
754 A qualified target industry business may not provide, directly

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755 or indirectly, more than 5 percent of such funding in any fiscal
756 year. The sources of such funding may not include, directly or
757 indirectly, state funds appropriated from the General Revenue
758 Fund or any state trust fund, excluding tax revenues shared with
759 local governments pursuant to law.

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

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

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

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

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

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

782 (s)~~(r)~~ "Rural city" means a city having a population of
783 10,000 or fewer, or a city having a population of greater than

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784 10,000 but fewer than 20,000 which ~~that~~ has been determined by
785 the office to have economic characteristics such as, but not
786 limited to, a significant percentage of residents on public
787 assistance, a significant percentage of residents with income
788 below the poverty level, or a significant percentage of the
789 city's employment base in agriculture-related industries.

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

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

792 2. A county having a population of 125,000 or fewer which
793 ~~that~~ is contiguous to a county having a population of 75,000 or
794 fewer.

795 3. A municipality within a county described in subparagraph
796 1. or subparagraph 2.

797
798 For purposes of this paragraph, population shall be determined
799 in accordance with the most recent official estimate pursuant to
800 s. 186.901.

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

809 1. Future growth.—Industry forecasts should indicate strong
810 expectation for future growth in both employment and output,
811 according to the most recent available data. Special
812 consideration should be given to businesses that export goods

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813 to, or provide services in, international markets and businesses
814 that replace domestic and international imports of goods or
815 services.

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

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

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

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

839 6. Economic benefits.—The industry is expected to have
840 strong positive impacts on or benefits to the state or regional
841 economies.

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842
843 The term does not include any business engaged in retail
844 industry activities; any electrical utility company; any
845 phosphate or other solid minerals severance, mining, or
846 processing operation; any oil or gas exploration or production
847 operation; or any business subject to regulation by the Division
848 of Hotels and Restaurants of the Department of Business and
849 Professional Regulation. Any business within NAICS code 5611 or
850 5614, office administrative services and business support
851 services, respectively, may be considered a target industry
852 business only after the local governing body and Enterprise
853 Florida, Inc., make a determination that the community where the
854 business may locate has conditions affecting the fiscal and
855 economic viability of the local community or area, including but
856 not limited to, factors such as low per capita income, high
857 unemployment, high underemployment, and a lack of year-round
858 stable employment opportunities, and such conditions may be
859 improved by the location of such a business to the community. By
860 January 1 of every 3rd year, beginning January 1, 2011, the
861 office, in consultation with Enterprise Florida, Inc., economic
862 development organizations, the State University System, local
863 governments, employee and employer organizations, market
864 analysts, and economists, shall review and, as appropriate,
865 revise the list of such target industries and submit the list to
866 the Governor, the President of the Senate, and the Speaker of
867 the House of Representatives.

868 (v) ~~(u)~~ "Taxable year" means taxable year as defined in s.
869 220.03(1)(y).

870 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

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

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

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

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

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

899 b. Increases exports of its goods through a seaport or

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

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

919 (4) APPLICATION AND APPROVAL PROCESS.—

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

923 1.a. The jobs proposed to be created under the application,
924 pursuant to subparagraph (a)4., must pay an estimated annual
925 average wage equaling at least 115 percent of the average
926 private sector wage in the area where the business is to be
927 located or the statewide private sector average wage. The
928 governing board of the county where the qualified target

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929 industry business is to be located shall notify the office and
930 Enterprise Florida, Inc., which calculation of the average
931 private sector wage in the area must be used as the basis for
932 the business's wage commitment. In determining the average
933 annual wage, the office shall include only new proposed jobs,
934 and wages for existing jobs shall be excluded from this
935 calculation. The minimum average wage requirement is waived for
936 a target industry business locating or expanding in an energy
937 economic zone.

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

956 2. The target industry business's project must result in
957 the creation of at least 10 jobs at the project and, in the case

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

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

979 (6) ANNUAL CLAIM FOR REFUND.—

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

985 1. It has achieved at least 80 percent of its projected
986 employment; and

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

1002 Section 10. Subsection (4) of section 377.809, Florida
1003 Statutes, is amended, and subsections (5) through (8) are added
1004 to that section, to read:

1005 377.809 Energy Economic Zone Pilot Program.—

1006 (4) ~~If the pilot project is ongoing,~~ The Department of
1007 Community Affairs, with the assistance of the Office of Tourism,
1008 Trade, and Economic Development, shall submit a report to the
1009 Governor, the President of the Senate, and the Speaker of the
1010 House of Representatives by February 15, 2015 ~~2012~~, evaluating
1011 whether the pilot program has demonstrated success. The report
1012 shall contain recommendations with regard to whether the program
1013 should be expanded for use by other local governments and
1014 whether state policies should be revised to encourage the goals
1015 of the program.

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1016 (5) Beginning July 1, 2011, and after the adoption of an
1017 ordinance by the local governing body of an energy economic
1018 zone, the incentives in this subsection are available to
1019 eligible businesses.

1020 (a) The following fiscal incentives are available to
1021 eligible businesses:

1022 1. The jobs credit provided in s. 220.181.

1023 2. The property tax credit provided in s. 220.182.

1024 3. The community contribution tax credits provided in ss.
1025 212.08, 220.183, and 624.5105.

1026 4. The sales tax exemption for building materials used in
1027 the rehabilitation of real property provided in s. 212.08(5)(g).

1028 5. The sales tax exemption for business equipment provided
1029 in s. 212.08(5)(h).

1030 6. The sales tax exemption for electrical energy provided
1031 in s. 212.08(15).

1032 7. The jobs credit against the sales tax provided in s.
1033 212.096.

1034 8. The tax refund for qualified target industries provided
1035 in s. 288.106.

1036 (b) The following regulatory incentives are available to
1037 eligible businesses:

1038 1. The governing body of an energy economic zone may use
1039 the comprehensive plan amendment procedures provided in s.
1040 163.32465(3)-(5) for comprehensive plan amendments within the
1041 energy economic zone and the regulatory exceptions for dense
1042 urban land areas as defined in s. 163.3164(34).

1043 2. Density and intensity bonuses for energy-efficient
1044 development within a designated energy economic zone may not be

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1045 calculated as part of the development capacity for purposes of
1046 chapter 163 or rule 9J-5, Florida Administrative Code.

1047 Comprehensive plan amendments relating to energy economic zones
1048 are not subject to the twice-yearly limitation provisions of s.
1049 163.3187(1).

1050 3. Notwithstanding the provisions of part II of chapter 163
1051 and the rules adopted thereunder, if the application of such
1052 provisions conflicts with the goals of an energy economic zone
1053 created pursuant to this section, the provisions of this section
1054 prevail. Any agency or judicial review of development within the
1055 energy economic zone is limited to the extent to which the
1056 amendment furthers the goals contained in this section.

1057 (c) Notwithstanding any law to the contrary, a public
1058 utility may grant discounts of up to 50 percent on tariffed
1059 rates for services to small businesses located in an energy
1060 economic zone designated pursuant to this section. Such
1061 discounts may be granted for not more than 5 years. For purposes
1062 of this subsection, the term "public utility" has the same
1063 meaning as in s. 366.02(1).

1064 (d) Projects located in the energy economic zone shall be
1065 given priority ranking to the extent practicable in the
1066 application and awards process for grants administered by the
1067 Florida Energy and Climate Commission or any other state energy
1068 program, appropriate renewable or clean energy-related economic
1069 development incentive programs, or for grants from other
1070 applicable sources such as qualified energy conservation bonds.

1071 (e) For purposes of eligibility criteria for the incentives
1072 specified in this subsection, the terms "energy-efficiency
1073 development" and "clean technology industries and businesses"

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1074 may include a diverse range of products, services, and processes
1075 that harness renewable materials and energy sources and reduce
1076 the use of natural resources, reduce greenhouse gas emissions,
1077 and result in energy conservation.

1078 (6) In order for fiscal and regulatory incentives in
1079 subsection (5) to be provided, the local governing body must:

1080 (a) Certify to the Department of Revenue, the Department of
1081 Community Affairs, and the Office of Tourism, Trade, and
1082 Economic Development the pilot community's developments and
1083 businesses eligible to receive the incentives applicable to the
1084 energy economic zone. Boundaries of the energy economic zone may
1085 be revised by the local governing body upon approval by the
1086 Department of Community Affairs.

1087 (b) Designate the energy economic zone by ordinance, which
1088 may also include:

1089 1. Identification of local and state incentives from among
1090 those in subsection (5) which apply within the energy economic
1091 zone.

1092 2. A description of the clean technology industries and
1093 businesses that will be eligible to receive the incentives.

1094 3. A description of the Leadership in Energy and
1095 Environmental Design (LEED) standards or the standards of
1096 another professionally adopted green building code applicable to
1097 eligibility for the exemptions provided in s. 212.08(5) for
1098 certain building materials and business property within the
1099 pilot community's energy economic zone.

1100 (7) Beginning July 1, 2012, the total amount of state
1101 credits, state refunds, and state exemptions that may be claimed
1102 by eligible businesses or transferees for energy economic zone

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

1119 (8) (a) Upon application to and approval by the Office of
1120 Tourism, Trade, and Economic Development, an eligible industry
1121 or business located within an energy economic zone may elect to
1122 transfer, in whole or in part, any unused credit granted under
1123 subsection (5), with the exception of the tax credit allowed
1124 under s. 624.5105. An election to transfer any unused tax credit
1125 or refund amount must be made no later than 5 years after the
1126 date the credit is awarded, after which time the credit expires
1127 and may not be used. The Office of Tourism, Trade, and Economic
1128 Development shall notify the Department of Revenue of these
1129 elections and transfers.

1130 (b) An eligible industry or business located within an
1131 energy economic zone which elects to apply a credit amount

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

1139 (c) The transferee is subject to the same rights and
1140 limitations as the industry or business located in an energy
1141 economic zone awarded the tax credit, except that the transferee
1142 may not sell or otherwise transfer the tax credit.

1143 Section 11. Paragraph (a) of subsection (3) of section
1144 445.003, Florida Statutes, is amended to read:

1145 445.003 Implementation of the federal Workforce Investment
1146 Act of 1998.—

1147 (3) FUNDING.—

1148 (a) Title I, Workforce Investment Act of 1998 funds;
1149 Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended
1150 based on the 5-year plan of Workforce Florida, Inc. The plan
1151 shall outline and direct the method used to administer and
1152 coordinate various funds and programs that are operated by
1153 various agencies. The following provisions shall also apply to
1154 these funds:

1155 1. At least 50 percent of the Title I funds for Adults and
1156 Dislocated Workers which ~~that~~ are passed through to regional
1157 workforce boards shall be allocated to Individual Training
1158 Accounts unless a regional workforce board obtains a waiver from
1159 Workforce Florida, Inc. Tuition and fees qualify as an
1160 Individual Training Account expenditure, as do other programs

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1161 developed by regional workforce boards in compliance with
1162 policies of Workforce Florida, Inc.

1163 2. Fifteen percent of Title I funding shall be retained at
1164 the state level and shall be dedicated to state administration
1165 and used to design, develop, induce, and fund innovative
1166 Individual Training Account pilots, demonstrations, and
1167 programs. Of such funds retained at the state level, \$2 million
1168 shall be reserved for the Incumbent Worker Training Program,
1169 created under subparagraph 3. Eligible state administration
1170 costs include the costs of: funding for the board and staff of
1171 Workforce Florida, Inc.; operating fiscal, compliance, and
1172 management accountability systems through Workforce Florida,
1173 Inc.; conducting evaluation and research on workforce
1174 development activities; and providing technical and capacity
1175 building assistance to regions at the direction of Workforce
1176 Florida, Inc. Notwithstanding s. 445.004, such administrative
1177 costs shall not exceed 25 percent of these funds. An amount not
1178 to exceed 75 percent of these funds shall be allocated to
1179 Individual Training Accounts and other workforce development
1180 strategies for other training designed and tailored by Workforce
1181 Florida, Inc., including, but not limited to, programs for
1182 incumbent workers, displaced homemakers, nontraditional
1183 employment, and enterprise zones. Workforce Florida, Inc., shall
1184 design, adopt, and fund Individual Training Accounts for
1185 distressed urban and rural communities.

1186 3. The Incumbent Worker Training Program is created for the
1187 purpose of providing grant funding for continuing education and
1188 training of incumbent employees at existing Florida businesses.
1189 The program will provide reimbursement grants to businesses that

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1190 pay for preapproved, direct, training-related costs.

1191 a. The Incumbent Worker Training Program will be
1192 administered by Workforce Florida, Inc. Workforce Florida, Inc.,
1193 at its discretion, may contract with a private business
1194 organization to serve as grant administrator.

1195 b. To be eligible for the program's grant funding, a
1196 business must have been in operation in Florida for a minimum of
1197 1 year prior to the application for grant funding; have at least
1198 one full-time employee; demonstrate financial viability; and be
1199 current on all state tax obligations. Priority for funding shall
1200 be given to businesses with 25 employees or fewer, businesses in
1201 rural areas, businesses in distressed inner-city areas,
1202 businesses in a qualified targeted industry, businesses whose
1203 grant proposals represent a significant upgrade in employee
1204 skills, businesses in an energy economic zone created pursuant
1205 to s. 377.809, or businesses whose grant proposals represent a
1206 significant layoff avoidance strategy.

1207 c. All costs reimbursed by the program must be preapproved
1208 by Workforce Florida, Inc., or the grant administrator. The
1209 program will not reimburse businesses for trainee wages, the
1210 purchase of capital equipment, or the purchase of any item or
1211 service that may possibly be used outside the training project.
1212 A business approved for a grant may be reimbursed for
1213 preapproved, direct, training-related costs including tuition;
1214 fees; books and training materials; and overhead or indirect
1215 costs not to exceed 5 percent of the grant amount.

1216 d. A business that is selected to receive grant funding
1217 must provide a matching contribution to the training project,
1218 including, but not limited to, wages paid to trainees or the

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1219 purchase of capital equipment used in the training project; must
1220 sign an agreement with Workforce Florida, Inc., or the grant
1221 administrator to complete the training project as proposed in
1222 the application; must keep accurate records of the project's
1223 implementation process; and must submit monthly or quarterly
1224 reimbursement requests with required documentation.

1225 e. All Incumbent Worker Training Program grant projects
1226 shall be performance-based with specific measurable performance
1227 outcomes, including completion of the training project and job
1228 retention. Workforce Florida, Inc., or the grant administrator
1229 shall withhold the final payment to the grantee until a final
1230 grant report is submitted and all performance criteria specified
1231 in the grant contract have been achieved.

1232 f. Workforce Florida, Inc., may establish guidelines
1233 necessary to implement the Incumbent Worker Training Program.

1234 g. No more than 10 percent of the Incumbent Worker Training
1235 Program's total appropriation may be used for overhead or
1236 indirect purposes.

1237 4. At least 50 percent of Rapid Response funding shall be
1238 dedicated to Intensive Services Accounts and Individual Training
1239 Accounts for dislocated workers and incumbent workers who are at
1240 risk of dislocation. Workforce Florida, Inc., shall also
1241 maintain an Emergency Preparedness Fund from Rapid Response
1242 funds which will immediately issue Intensive Service Accounts
1243 and Individual Training Accounts as well as other federally
1244 authorized assistance to eligible victims of natural or other
1245 disasters. At the direction of the Governor, for events that
1246 qualify under federal law, these Rapid Response funds shall be
1247 released to regional workforce boards for immediate use. Funding

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1248 shall also be dedicated to maintain a unit at the state level to
1249 respond to Rapid Response emergencies around the state, to work
1250 with state emergency management officials, and to work with
1251 regional workforce boards. All Rapid Response funds must be
1252 expended based on a plan developed by Workforce Florida, Inc.,
1253 and approved by the Governor.

1254 Section 12. Paragraph (h) of subsection (1) of section
1255 220.191, Florida Statutes, is amended to read:

1256 220.191 Capital investment tax credit.—

1257 (1) DEFINITIONS.—For purposes of this section:

1258 (h) "Qualifying project" means:

1259 1. A new or expanding facility in this state which creates
1260 at least 100 new jobs in this state and is in one of the high-
1261 impact sectors identified by Enterprise Florida, Inc., and
1262 certified by the office pursuant to s. 288.108(6), including,
1263 but not limited to, aviation, aerospace, automotive, and silicon
1264 technology industries;

1265 2. A new or expanded facility in this state which is
1266 engaged in a target industry designated pursuant to the
1267 procedure specified in s. 288.106(2)(u) ~~288.106(2)(t)~~ and which
1268 is induced by this credit to create or retain at least 1,000
1269 jobs in this state, provided that at least 100 of those jobs are
1270 new, pay an annual average wage of at least 130 percent of the
1271 average private sector wage in the area as defined in s.
1272 288.106(2), and make a cumulative capital investment of at least
1273 \$100 million after July 1, 2005. Jobs may be considered retained
1274 only if there is significant evidence that the loss of jobs is
1275 imminent. Notwithstanding subsection (2), annual credits against
1276 the tax imposed by this chapter shall not exceed 50 percent of

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1277 the increased annual corporate income tax liability or the
1278 premium tax liability generated by or arising out of a project
1279 qualifying under this subparagraph. A facility that qualifies
1280 under this subparagraph for an annual credit against the tax
1281 imposed by this chapter may take the tax credit for a period not
1282 to exceed 5 years; or

1283 3. A new or expanded headquarters facility in this state
1284 which locates in an enterprise zone and brownfield area and is
1285 induced by this credit to create at least 1,500 jobs which on
1286 average pay at least 200 percent of the statewide average annual
1287 private sector wage, as published by the Agency for Workforce
1288 Innovation or its successor, and which new or expanded
1289 headquarters facility makes a cumulative capital investment in
1290 this state of at least \$250 million.

1291 Section 13. This act shall take effect July 1, 2011.