

By the Committees on Communications, Energy, and Public Utilities; and 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.
3 377.809, F.S.; deleting an obsolete provision;
4 revising the date by which the Department of Community
5 Affairs, with the assistance of the Office of Tourism,
6 Trade, and Economic Development, must submit a report
7 to the Governor and Legislature evaluating whether the
8 Energy Economic Zone Pilot Program has demonstrated
9 success; requiring that all incentives and benefits
10 provided to enterprise zones be made available to
11 energy economic zones by a specified date; requiring
12 each local governing body having jurisdiction over an
13 energy economic zone to establish boundaries of the
14 energy economic zone, specify applicable energy-
15 efficiency standards, and determine eligibility
16 criteria for application of state and local incentives
17 and benefits; requiring that a business be a qualified
18 target industry business for state purposes; providing
19 that boundaries may be revised by local ordinance;
20 specifying the incentives and benefits; requiring that
21 applicable requirements for employee residency for
22 higher refund or credit thresholds be based on
23 employee residency in the energy economic zone or an
24 enterprise zone; providing that certain businesses are
25 eligible for funding and other businesses have
26 priority for funding; providing a cap on the total
27 amount of state credits, refunds, and exemptions that
28 may be provided to eligible businesses for energy-
29 economic-zone incentives; authorizing the unused

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30 amount of a credit to be carried forward for a limited
31 period; providing that the local governing body having
32 jurisdiction over the energy economic zone is
33 responsible for allocating the incentives and
34 verifying eligibility of businesses to receive
35 incentives; requiring the governing body to provide
36 the taxpayer with a certificate indicating
37 eligibility; requiring the local governing body to
38 certify to the Department of Revenue or the Office of
39 Tourism, Trade, and Economic Development which
40 businesses or properties are eligible to receive state
41 incentives; requiring the Department of Revenue to
42 send written instructions to the eligible businesses
43 on claiming the credit on a sales and use tax return
44 initiated through an electronic data interchange;
45 authorizing the Office of Tourism, Trade, and Economic
46 Development and the Department of Revenue to adopt
47 emergency rules; providing for renewal of the rules;
48 amending s. 380.06, F.S.; providing that certain
49 developments in an energy economic zone are exempt
50 from review as a development of regional impact;
51 providing an effective date.

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

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55 Section 1. Subsection (4) of section 377.809, Florida
56 Statutes, is amended, and subsections (5) through (8) are added
57 to that section, to read:

58 377.809 Energy Economic Zone Pilot Program.—

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59 (4) ~~If the pilot project is ongoing,~~ The Department of
60 Community Affairs, with the assistance of the Office of Tourism,
61 Trade, and Economic Development, shall submit a report to the
62 Governor, the President of the Senate, and the Speaker of the
63 House of Representatives by February 15, 2015 ~~2012~~, evaluating
64 whether the pilot program has demonstrated success. The report
65 shall contain recommendations with regard to whether the program
66 should be expanded for use by other local governments and
67 whether state policies should be revised to encourage the goals
68 of the program.

69 (5) Beginning July 1, 2012, all the incentives and benefits
70 provided to enterprise zones pursuant to state law shall be
71 available to the energy economic zones designated by July 1,
72 2010, pursuant to s. 377.809. In order to provide incentives, no
73 later than March 1, 2012, each local governing body having
74 jurisdiction over an energy economic zone shall, by local
75 ordinance, establish boundaries of the energy economic zone,
76 specify applicable energy-efficiency standards, and determine
77 eligibility criteria for application of state and local
78 incentives and benefits in the energy economic zone. However, in
79 order to receive benefits provided under s. 288.106, a business
80 must be a qualified target industry business under s. 288.106
81 for state purposes. Boundaries may be revised by local
82 ordinance. Such incentives and benefits include those in ss.
83 220.181, 220.182, 212.08, 220.183, 624.5105, 212.096, and
84 288.106 and the public utility discounts provided in s.
85 290.007(8). The exemption provided in s. 212.08(5)(c) shall be
86 for renewable energy as defined in s. 377.803(4). For purposes
87 of this section, any applicable requirements for employee

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88 residency for higher refund or credit thresholds shall be based
89 on employee residency in the energy economic zone or an
90 enterprise zone. A business in an energy economic zone may also
91 be eligible for funding under ss. 288.047 and 445.003, and a
92 transportation project in an energy economic zone shall be
93 provided priority in funding under s. 288.063. Other projects
94 shall be given priority ranking to the extent practicable for
95 grants administered under state energy programs.

96 (6) Effective July 1, 2012, the total amount of state
97 credits, refunds, and exemptions that may be provided by the
98 governing body of each energy economic zone to eligible
99 businesses for energy-economic-zone incentives pursuant to
100 subsection (5) is \$300,000 per designated energy economic zone
101 in any state fiscal year. A credit or refund that is applied for
102 after each \$300,000 limit is reached shall be disallowed by the
103 governing body of the energy economic zone. If the \$300,000
104 incentive cap is not fully used in any one state fiscal year by
105 an energy economic zone, the unused amount under the cap may be
106 carried forward for not more than 5 years. The local governing
107 body having jurisdiction over the energy economic zone is
108 responsible for allocating the incentives, for verifying that
109 businesses receiving such incentives are eligible for the
110 incentives provided, and for ensuring that the incentives
111 provided do not exceed the cap for the state fiscal year.

112 (7) Upon approving an incentive for an eligible business,
113 the governing body having jurisdiction over the energy economic
114 zone shall provide the taxpayer with a certificate indicating
115 the eligible businesses' name, federal identification number,
116 date the incentive is provided, name of the energy economic

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117 zone, incentive type, and the incentive amount. The local
118 governing body shall certify to the Department of Revenue or the
119 Office of Tourism, Trade, and Economic Development, whichever is
120 applicable, which businesses or properties are eligible to
121 receive any or all of the state incentives according to their
122 statutory requirements. The governing body having jurisdiction
123 over the energy economic zone shall provide a copy of the
124 certificate to the Department of Revenue and the Office of
125 Tourism, Trade, and Economic Development as notification that
126 such incentives were approved for the specific eligible business
127 or property. For incentives to be claimed against the sales and
128 use tax under chapter 212, the Department of Revenue shall send,
129 within 14 days after receipt, written instructions to an
130 eligible business on how to claim the credit on a sales and use
131 tax return initiated through an electronic data interchange. Any
132 credit against the sales and use tax shall be deducted from any
133 sales and use tax remitted by the dealer to the Department of
134 Revenue by electronic funds transfer and may be deducted only on
135 a sales and use tax return initiated through an electronic data
136 interchange. The dealer shall separately state the credit on the
137 electronic return. The net amount of tax due and payable must be
138 remitted by electronic funds transfer. If the credit is larger
139 than the amount owed on the sales and use tax return, such
140 excess amounts may be carried forward for a period not to exceed
141 12 months following the date the credit is initially claimed.

142 (8) If all conditions are deemed met, the Office of
143 Tourism, Trade, and Economic Development and the Department of
144 Revenue may adopt emergency rules pursuant to ss. 120.536(1) and
145 120.54 to administer the provisions of subsections (5)-(7). The

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146 emergency rules shall remain in effect for 6 months after the
147 rules are adopted, and the rules may be renewed during the
148 pendency of procedures to adopt permanent rules addressing the
149 subject of the emergency rules.

150 Section 2. Paragraph (u) is added to subsection (24) of
151 section 380.06, Florida Statutes, to read:

152 380.06 Developments of regional impact.—

153 (24) STATUTORY EXEMPTIONS.—

154 (u) Any development in an energy economic zone designated
155 pursuant to s. 377.809, shall be exempt from this section upon
156 approval of its local governing body.

157

158 If a use is exempt from review as a development of regional
159 impact under paragraphs (a)-(s), but will be part of a larger
160 project that is subject to review as a development of regional
161 impact, the impact of the exempt use must be included in the
162 review of the larger project, unless such exempt use involves a
163 development of regional impact that includes a landowner,
164 tenant, or user that has entered into a funding agreement with
165 the Office of Tourism, Trade, and Economic Development under the
166 Innovation Incentive Program and the agreement contemplates a
167 state award of at least \$50 million.

168 Section 3. This act shall take effect July 1, 2011.