

1 A bill to be entitled
 2 An act relating to the tax refund program for qualified
 3 target industry businesses; amending s. 288.106, F.S.;
 4 revising definition of the term "target industry
 5 business"; revising the eligibility criteria for tax
 6 refunds under the program; requiring certain local
 7 governing boards to notify the Office of Tourism, Trade,
 8 and Economic Development and Enterprise Florida, Inc., of
 9 the average private-sector wage calculation to be used for
 10 purposes of a business's wage commitment under the tax
 11 refund program; providing an effective date.

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

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 15 Section 1. Paragraph (t) of subsection (2) and paragraph
 16 (b) of subsection (4) of section 288.106, Florida Statutes, are
 17 amended to read:

18 288.106 Tax refund program for qualified target industry
 19 businesses.—

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

21 (t) "Target industry business" means a corporate
 22 headquarters business or any business that is engaged in one of
 23 the target industries identified pursuant to the following
 24 criteria developed by the office in consultation with Enterprise
 25 Florida, Inc.:

26 1. Future growth.—Industry forecasts should indicate
 27 strong expectation for future growth in both employment and
 28 output, according to the most recent available data. Special

29 | consideration should be given to businesses that export goods
30 | to, or provide services in, international markets and businesses
31 | that replace domestic and international imports of goods or
32 | services.

33 | 2. Stability.—The industry should not be subject to
34 | periodic layoffs, whether due to seasonality or sensitivity to
35 | volatile economic variables such as weather. The industry should
36 | also be relatively resistant to recession, so that the demand
37 | for products of this industry is not typically subject to
38 | decline during an economic downturn.

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

41 | 4. Market and resource independent.—The location of
42 | industry businesses should not be dependent on Florida markets
43 | or resources as indicated by industry analysis, except for
44 | businesses in the renewable energy industry.

45 | 5. Industrial base diversification and strengthening.—The
46 | industry should contribute toward expanding or diversifying the
47 | state's or area's economic base, as indicated by analysis of
48 | employment and output shares compared to national and regional
49 | trends. Special consideration should be given to industries that
50 | strengthen regional economies by adding value to basic products
51 | or building regional industrial clusters as indicated by
52 | industry analysis. Special consideration should also be given to
53 | the development of strong industrial clusters that include
54 | defense and homeland security businesses.

55 | 6. Economic benefits.—The industry is expected to have
56 | strong positive impacts on or benefits to the state or regional

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57 economies.

58 7. Enhance trade.—The industry should facilitate the
59 growth and development of domestic and international trade and
60 logistics. Special consideration should be given to industries
61 that strengthen the state's position as a global trade and
62 logistics hub.

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64 The term does not include any business engaged in retail
65 industry activities; any electrical utility company; any
66 phosphate or other solid minerals severance, mining, or
67 processing operation; any oil or gas exploration or production
68 operation; or any business subject to regulation by the Division
69 of Hotels and Restaurants of the Department of Business and
70 Professional Regulation. Any business within NAICS code 5611 or
71 5614, office administrative services and business support
72 services, respectively, may be considered a target industry
73 business only after the local governing body and Enterprise
74 Florida, Inc., make a determination that the community where the
75 business may locate has conditions affecting the fiscal and
76 economic viability of the local community or area, including but
77 not limited to, factors such as low per capita income, high
78 unemployment, high underemployment, and a lack of year-round
79 stable employment opportunities, and such conditions may be
80 improved by the location of such a business to the community. By
81 January 1 of every 3rd year, beginning January 1, 2011, the
82 office, in consultation with Enterprise Florida, Inc., economic
83 development organizations, the State University System, local
84 governments, employee and employer organizations, market

85 analysts, and economists, shall review and, as appropriate,
 86 revise the list of such target industries and submit the list to
 87 the Governor, the President of the Senate, and the Speaker of
 88 the House of Representatives.

89 (4) APPLICATION AND APPROVAL PROCESS.—

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

93 1.a. The jobs proposed to be created under the
 94 application, pursuant to subparagraph (a)4., must pay an
 95 estimated annual average wage equaling at least 115 percent of
 96 the average private sector wage in the area where the business
 97 is to be located or the statewide private sector average wage.
 98 The governing board of the local governmental entity providing
 99 the local financial support ~~county~~ where the qualified target
 100 industry business is to be located shall notify the office and
 101 Enterprise Florida, Inc., which calculation of the average
 102 private sector wage in the area must be used as the basis for
 103 the business's wage commitment. In determining the average
 104 annual wage, the office shall include only new proposed jobs,
 105 and wages for existing jobs shall be excluded from this
 106 calculation.

107 b. The office may waive the average wage requirement at
 108 the request of the local governing body recommending the project
 109 and Enterprise Florida, Inc. The office may waive the wage
 110 requirement for a project located in a brownfield area
 111 designated under s. 376.80, in a rural city, in a rural
 112 community, in an enterprise zone, or for a manufacturing project

113 at any location in the state if the jobs proposed to be created
114 pay an estimated annual average wage equaling at least 100
115 percent of the average private sector wage in the area where the
116 business is to be located, only if the merits of the individual
117 project or the specific circumstances in the community in
118 relationship to the project warrant such action. If the local
119 governing body and Enterprise Florida, Inc., make such a
120 recommendation, it must be transmitted in writing, and the
121 specific justification for the waiver recommendation must be
122 explained. If the office elects to waive the wage requirement,
123 the waiver must be stated in writing, and the reasons for
124 granting the waiver must be explained.

125 2. The target industry business's project must result in
126 the creation of at least 10 jobs at the project and, in the case
127 of an expansion of an existing business, must result in a net
128 increase in employment of at least 10 percent at the business.
129 At the request of the local governing body recommending the
130 project and Enterprise Florida, Inc., the office may waive this
131 requirement for a business in a rural community or enterprise
132 zone if the merits of the individual project or the specific
133 circumstances in the community in relationship to the project
134 warrant such action. If the local governing body and Enterprise
135 Florida, Inc., make such a request, the request must be
136 transmitted in writing, and the specific justification for the
137 request must be explained. If the office elects to grant the
138 request, the grant must be stated in writing, and the reason for
139 granting the request must be explained.

140 3. The business activity or product for the applicant's

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141 project must be within an industry identified by the office as a
142 target industry business that contributes to the economic growth
143 of the state and the area in which the business is located, that
144 produces a higher standard of living for residents of this state
145 in the new global economy, or that can be shown to make an
146 equivalent contribution to the area's and state's economic
147 progress.

148 Section 2. This act shall take effect July 1, 2011.