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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/18/2013	.	
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The Committee on Commerce and Tourism (Ring) recommended the following:

Senate Amendment

Delete lines 95 - 141
and insert:
as a corporate subsidiary. The purpose of the fund is to foster greater private-sector investment funding, to encourage seed-stage investments in start-up companies, and to advise companies on restructuring existing management, operations, or production to attract advantageous business opportunities. The proceeds of a sale of the equity held by the fund shall be returned to the fund for reinvestment.

(2) The institute shall administer the Florida Technology



572754

13 Capital Seed Fund. Administrative costs paid out of the fund
14 shall be determined by the investor advisory board.

15 (3) The institute shall employ professionals who have both
16 technical and business expertise to manage fund activity. The
17 institute shall establish an investor advisory board comprised
18 of venture capital professionals and early-stage investors from
19 this and other states who shall advise and guide the fund
20 management and make funding recommendations.

21 (4) The institute shall use a thorough and detailed process
22 that is modeled after the best practices of the investment
23 industry to evaluate a proposal. In order to approve a company
24 for investment, the institute must consider whether:

25 (a) The company has a strong intellectual property
26 position, a capable management team, readily identifiable paths
27 to market or commercialization, significant job-growth
28 potential, the ability to provide other sources of capital to
29 leverage the state's investment, and the potential to attract
30 additional funding;

31 (b) The company has been identified by a publicly funded
32 research institution;

33 (c) The start-up company operates in a target industry
34 designated pursuant to the procedure specified in s. 288.106(2);

35 (d) The company has been identified by an approved private-
36 sector lead investor who has demonstrated due diligence typical
37 of start-up investments in evaluating the potential of the
38 company; and

39 (e) The advisory board and fund manager have reviewed and
40 recommended that the proposal be approved.

41 (5) (a) Seed funds may be invested if the institute approves



572754

42 a company and the initial seed-stage investment. The initial
43 seed-stage investment must be at least \$50,000, but may not be
44 greater than \$300,000. The initial seed-stage investment
45 requires a one-to-one private-sector match of the investment.

46 (b) Additional seed funds may be invested in a company if
47 approved by the institute. The cumulative total of investment in
48 a single company may not exceed \$500,000. Any additional
49 investment amount requires a two-to-one private-sector match of
50 investment.