



123970

576-02558-15

Proposed Committee Substitute by the Committee on Appropriations  
(Appropriations Subcommittee on Transportation, Tourism, and  
Economic Development)

1                   A bill to be entitled  
2           An act relating to economic development; amending s.  
3           220.191, F.S.; revising the term "cumulative capital  
4           investment"; amending s. 288.0001, F.S.; requiring the  
5           Office of Economic and Demographic Research and the  
6           Office of Program Policy Analysis and Government  
7           Accountability to provide a detailed analysis of the  
8           retention of Major League Baseball spring training  
9           baseball franchises; amending s. 288.005, F.S.;  
10          revising the term "economic benefits"; amending s.  
11          288.061, F.S.; requiring the Department of Economic  
12          Opportunity to prescribe a specified application form;  
13          requiring the incentive application to include  
14          specified information; requiring the Office of  
15          Economic and Demographic Research to include  
16          guidelines for the appropriate application of the  
17          department's internal model in the establishment of  
18          the methodology and model it will use to calculate  
19          economic benefits; requiring that if the Office of  
20          Economic and Demographic Research develops an amended  
21          definition of the term "economic benefits," it must  
22          reflect a specified requirement; prohibiting the  
23          department from attributing to the business any  
24          capital investment made by a business using state  
25          funds; requiring the department's evaluation of the  
26          application to include specified information;



123970

576-02558-15

27 requiring the department to recommend to the Governor  
28 approval or disapproval of a project that will receive  
29 funds from specified programs; requiring the  
30 department, in recommending a project, to include  
31 justification for the project and proposed performance  
32 conditions that the project must meet to obtain  
33 incentive funds; authorizing the Governor to approve a  
34 project without consulting the Legislature if the  
35 requested funding is less than a specified amount;  
36 requiring the Governor to provide a written  
37 description and evaluation of the project to specified  
38 persons during a specified timeframe; requiring the  
39 recommendation to include proposed payment and  
40 performance conditions that the project must meet in  
41 order to obtain incentive funds and to avoid  
42 sanctions; requiring the Governor to instruct the  
43 department to immediately suspend an action or  
44 proposed action until the Legislative Budget  
45 Commission or the Legislature makes a determination on  
46 the project in certain circumstances; requiring a  
47 project that requires funding that falls into a  
48 specified range to be approved by the Legislative  
49 Budget Commission before final approval by the  
50 Governor; requiring a project that requires at least a  
51 specified amount of funds and that provides a waiver  
52 of program requirements to be approved by the  
53 Legislative Budget Commission before final approval by  
54 the Governor; requiring the department to issue a  
55 letter certifying the applicant as qualified for an



123970

576-02558-15

56 award upon approval; specifying the funding sources  
57 authorized within the definition of the term  
58 "project"; requiring the department and the applicant  
59 to enter into an agreement or contract upon  
60 certification; requiring any agreement or contract  
61 that requires capital investment to be made by the  
62 business to also require that such investment remain  
63 in the state for the duration of the agreement or  
64 contract; prohibiting an agreement or contract from  
65 having a term of longer than 10 years; authorizing the  
66 department to enter into a successive agreement or  
67 contract for a specified project under certain  
68 circumstances; providing that the restriction on  
69 duration of the agreement or contract does not apply  
70 in certain circumstances; requiring the agreement or  
71 contract to require that the applicant use the  
72 workforce information systems in certain  
73 circumstances; requiring the department to provide  
74 notice, with a written description and evaluation, to  
75 the Legislature of any proposed amendment to an  
76 agreement or contract; requiring the department to  
77 provide notice of the proposed change to specified  
78 persons in order to provide an opportunity for review;  
79 providing that a proposed amendment to an agreement or  
80 contract which reduces projected economic benefits  
81 calculated at the time the agreement or contract was  
82 executed by a specified amount or more or that results  
83 in an economic benefit ratio below a specified level  
84 is subject to specified notice and objection



123970

576-02558-15

85 procedures; requiring the Governor to instruct the  
86 department to immediately suspend an action or  
87 proposed action until the Legislative Budget  
88 Commission or Legislature makes a determination on the  
89 project in certain circumstances; authorizing the  
90 department to execute specified contracts and  
91 agreements from current or future fiscal year  
92 appropriations for specified incentive programs;  
93 prohibiting the total amount of actual or projected  
94 funds approved for a specified payment by the  
95 department from exceeding a specified amount in any  
96 fiscal year for certain programs; providing that the  
97 specified funding limitation may only be waived by the  
98 Legislature in the General Appropriations Act or other  
99 legislation; requiring the department to provide  
100 specified notice to the Legislature upon the final  
101 execution of each contract or agreement; requiring the  
102 department to provide to the Legislature a list of  
103 projected payments for the following fiscal year and a  
104 list of claims actually filed for payment in the  
105 following fiscal year by specified dates; prohibiting  
106 the department from making a scheduled payment under a  
107 contract or agreement for a given fiscal year until  
108 the department has validated that the applicant has  
109 met the performance requirements of the contract or  
110 agreement; providing that the department may only make  
111 payments to the applicant; providing for reversion of  
112 specified funds that are unexpended by a specified  
113 date in a fiscal year; requiring the Legislature to



123970

576-02558-15

114 annually appropriate in the General Appropriations Act  
115 an amount estimated to sufficiently satisfy scheduled  
116 payments in a fiscal year; requiring the department to  
117 pay unfunded claims if the amount appropriated by the  
118 Legislature proves insufficient to satisfy the  
119 scheduled payments in a fiscal year; requiring the  
120 department to notify the legislative appropriations  
121 committees of any anticipated shortfall for the  
122 current fiscal year and of the amount it estimates  
123 will be needed to pay claims during the next fiscal  
124 year; amending s. 288.095, F.S.; providing that moneys  
125 credited to the Economic Development Trust Fund  
126 consist of specified funds and interest earnings;  
127 restricting the use of moneys in the Economic  
128 Development Incentives Account; providing that any  
129 balance in the account at the end of the fiscal year  
130 remains in the account and is available for carrying  
131 out the purposes of the account; creating the Quick  
132 Action Closing Fund Escrow Account within the Economic  
133 Development Trust Fund; restricting the use of moneys  
134 in the Quick Action Closing Fund Escrow Account;  
135 providing for the establishment of a continuing  
136 appropriation category to make payments from the  
137 account; requiring the department to submit a  
138 specified budget amendment in certain circumstances;  
139 requiring the reversion of specified funds to the  
140 State Economic Enhancement and Development Trust Fund  
141 in certain circumstances; establishing an expiration  
142 date for the continuing appropriation category;



123970

576-02558-15

143 providing for reversion of specified funds to the  
144 State Economic Enhancement and Development Trust Fund  
145 in certain circumstances; providing that any balance  
146 in the account at the end of the fiscal year remains  
147 in the account and is available for carrying out the  
148 purposes of the account; providing for the reversion  
149 of any interest earnings in the account to the State  
150 Economic Enhancement and Development Trust Fund on a  
151 specified date of each fiscal year; providing for  
152 expiration of the Quick Action Closing Fund Escrow  
153 Account and reversion of the funds remaining in the  
154 account; authorizing the department to adopt rules;  
155 requiring Enterprise Florida, Inc., to transfer any  
156 funds held in an escrow account for approved Quick  
157 Action Closing Fund contracts or agreements to the  
158 Quick Action Closing Fund Escrow Account within the  
159 Economic Development Trust Fund by a specified date;  
160 amending s. 288.1045, F.S.; revising the term "average  
161 wage in the area"; conforming provisions to changes  
162 made by the act; prohibiting the department from  
163 certifying any applicant as a qualified applicant in  
164 certain circumstances; increasing the number of days  
165 the department may extend the filing date; extending  
166 the future expiration of an applicant for a tax  
167 refund; amending s. 288.106, F.S.; conforming  
168 provisions to changes made by the act; revising the  
169 definition of the term "local financial support  
170 exemption option" to remove a limit on the allowable  
171 percentage of total tax refunds; increasing the number



123970

576-02558-15

172 of days the department may extend the filing date;  
173 revising the limitations on the average private sector  
174 wage paid by the business; amending s. 288.107, F.S.;  
175 revising the term "eligible business"; defining the  
176 term "fixed capital investment"; conforming provisions  
177 to changes made by the act; amending s. 288.108, F.S.;  
178 conforming provisions to changes made by the act;  
179 amending s. 288.1088, F.S.; revising the requirements  
180 for projects eligible for receipt of funds from the  
181 Quick Action Closing Fund; conforming provisions to  
182 changes made by the act; requiring a specified request  
183 to be transmitted in writing to the department with an  
184 explanation of the specific justification for the  
185 request; requiring a decision to be stated in writing  
186 with an explanation of the reason for approving the  
187 request if the department approves the request;  
188 prohibiting the department from waiving more than a  
189 specified amount of criteria; revising the information  
190 that the department must include in an evaluation of  
191 an individual proposal for high-impact business  
192 facilities; prohibiting the payment of moneys from the  
193 fund to a business until the scheduled goals have been  
194 achieved; revising the information that must be  
195 included in a contract that sets forth the conditions  
196 for payments of moneys from the fund; amending s.  
197 288.1089, F.S.; conforming provisions to changes made  
198 by the act; amending s. 288.1201, F.S.; conforming  
199 provisions to changes made by the act; amending s.  
200 288.905, F.S.; providing that the president appointed



123970

576-02558-15

201 by the board of directors of Enterprise Florida, Inc.,  
202 is subject to confirmation by the Senate; prohibiting  
203 a former president from receiving compensation for  
204 personally representing a specified entity before the  
205 legislative or executive branch of state government;  
206 providing applicability; amending s. 288.9937, F.S.;  
207 requiring the Office of Program Policy Analysis and  
208 Government Accountability to analyze and evaluate  
209 certain programs for a specified period; requiring the  
210 Office of Economic and Demographic Research to  
211 determine the economic benefits of certain programs;  
212 requiring the Office of Program Policy Analysis and  
213 Government Accountability to identify inefficiencies  
214 in certain programs and to recommend changes to such  
215 programs; revising the date by which each office must  
216 submit a report to certain persons; providing an  
217 effective date.

218

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

220

221 Section 1. Paragraph (b) of subsection (1) of section  
222 220.191, Florida Statutes, is amended to read:

223 220.191 Capital investment tax credit.—

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

225 (b) "Cumulative capital investment" means the total capital  
226 investment in land, buildings, and equipment made in connection  
227 with a qualifying project during the period from the beginning  
228 of construction of the project to the commencement of  
229 operations. The term does not include any state or local funds,





123970

576-02558-15

230 including funds appropriated to public or private entities, used  
231 for capital investment.

232 Section 2. Paragraph (e) of subsection (2) of section  
233 288.0001, Florida Statutes, is amended to read:

234 288.0001 Economic Development Programs Evaluation.—The  
235 Office of Economic and Demographic Research and the Office of  
236 Program Policy Analysis and Government Accountability (OPPAGA)  
237 shall develop and present to the Governor, the President of the  
238 Senate, the Speaker of the House of Representatives, and the  
239 chairs of the legislative appropriations committees the Economic  
240 Development Programs Evaluation.

241 (2) The Office of Economic and Demographic Research and  
242 OPPAGA shall provide a detailed analysis of economic development  
243 programs as provided in the following schedule:

244 (e) Beginning January 1, 2018, and every 3 years  
245 thereafter, an analysis of the Sports Development Program  
246 established under s. 288.11625 and the retention of Major League  
247 Baseball spring training baseball franchises under s. 288.11631.

248 Section 3. Subsection (1) of section 288.005, Florida  
249 Statutes, is amended to read:

250 288.005 Definitions.—As used in this chapter, the term:

251 (1) "Economic benefits" means the direct, indirect, and  
252 induced gains in state revenues as a percentage of the state's  
253 investment. The state's investment includes all state funds  
254 spent or forgone to benefit the business, including state funds  
255 appropriated to public and private entities, state grants, tax  
256 exemptions, tax refunds, tax credits, and other state  
257 incentives.

258 Section 4. Section 288.061, Florida Statutes, is amended to



123970

576-02558-15

259 read:

260 288.061 Economic development incentive application  
261 process.—

262 (1) Beginning January 1, 2016, the department shall  
263 prescribe a form upon which an application for an incentive must  
264 be made. At a minimum, the incentive application must include  
265 all of the following:

266 (a) The applicant's federal employer identification number,  
267 reemployment assistance account number, and state sales tax  
268 registration number. If such numbers are not available at the  
269 time of application, they must be submitted to the department in  
270 writing before the disbursement of any economic incentive  
271 payments or the grant of any tax credits or refunds.

272 (b) The applicant's signature.

273 (c) The location in this state at which the project is or  
274 will be located.

275 (d) The anticipated commencement date of the project.

276 (e) A description of the type of business activity,  
277 product, or research and development undertaken by the  
278 applicant, including the six-digit North American Industry  
279 Classification System code for all activities included in the  
280 project.

281 (f) An attestation verifying that the information provided  
282 on the application is true and accurate.

283 (2)-(1) Upon receiving a submitted economic development  
284 incentive application, the Division of Strategic Business  
285 Development of the department ~~of Economic Opportunity~~ and  
286 designated staff of Enterprise Florida, Inc., shall review the  
287 application to ensure that the application is complete, whether



123970

576-02558-15

288 and what type of state and local permits may be necessary for  
289 the applicant's project, whether it is possible to waive such  
290 permits, and what state incentives and amounts of such  
291 incentives may be available to the applicant. The department  
292 shall recommend to the executive director to approve or  
293 disapprove an applicant business. If review of the application  
294 demonstrates that the application is incomplete, the executive  
295 director shall notify the applicant business within the first 5  
296 business days after receiving the application.

297 (3)(2) Beginning July 1, 2013, The department shall review  
298 and evaluate each economic development incentive application for  
299 the economic benefits of the proposed award of state incentives  
300 proposed for the project. The term "economic benefits" has the  
301 same meaning as in s. 288.005. The Office of Economic and  
302 Demographic Research shall establish the methodology and model  
303 used to calculate the economic benefits, including guidelines  
304 for the appropriate application of the department's internal  
305 model. For purposes of this requirement, an amended definition  
306 of the term "economic benefits" may be developed by the Office  
307 of Economic and Demographic Research. However, the amended  
308 definition must reflect the requirement of s. 288.005 that the  
309 state's investment include all state funds spent or forgone to  
310 benefit the business, including state funds appropriated to  
311 public and private entities, to the extent that those funds  
312 should reasonably be known to the department at the time of  
313 approval. In the department's evaluation of an economic  
314 development incentive application, the department may not  
315 attribute to the business any capital investment made by the  
316 business using state funds.



123970

576-02558-15

317       (4) The department's evaluation of the application must  
318 also include all of the following:

319       (a) A financial analysis of the company, including  
320 information regarding liens and pending or ongoing litigation,  
321 credit ratings, and regulatory filings.

322       (b) A review of any independent evaluations of the company.

323       (c) A review of the historical market performance of the  
324 company.

325       (d) A review of the latest audit of the company's financial  
326 statement and the related auditor management letter.

327       (e) A review of any other audits that are related to the  
328 internal controls or management of the company.

329       (f) A review of performance in connection with past  
330 incentives.

331       (g) Any other review deemed necessary by the department.

332       (5) (a) ~~(3)~~ Except as provided in paragraph (b), within 10  
333 business days after the department receives a complete ~~the~~  
334 ~~submitted~~ economic development incentive application, the  
335 executive director shall approve or disapprove the application  
336 and issue a letter of certification to the applicant which  
337 includes a justification of that decision, unless the business  
338 requests an extension of ~~that~~ time.

339       (b) Within 10 business days after the department receives a  
340 complete economic development incentive application for a  
341 project identified in paragraph (d), the executive director  
342 shall recommend to the Governor approval or disapproval of the  
343 application. The recommendation must include a justification for  
344 the recommendation and the proposed performance conditions that  
345 the project must meet to obtain incentive funds.



123970

576-02558-15

346       1. The Governor may approve a project without consulting  
347 the Legislature for a project that requires less than \$2 million  
348 in funding.

349       2. Except as provided in subparagraph 4., for any project  
350 that requires funding in the amount of at least \$2 million and  
351 up to \$7.5 million, the Governor shall provide a written  
352 description and evaluation of the project to the chair and vice  
353 chair of the Legislative Budget Commission at least 10 days  
354 before giving final approval for the project. The recommendation  
355 must include proposed payment and performance conditions that  
356 the project must meet in order to obtain incentive funds and to  
357 avoid sanctions. If the chair or vice chair of the Legislative  
358 Budget Commission, the President of the Senate, or the Speaker  
359 of the House of Representatives advises the Governor, in  
360 writing, that his or her planned or proposed action exceeds the  
361 delegated authority of the Governor or is contrary to  
362 legislative policy or intent, the Governor shall instruct the  
363 department to immediately suspend any action planned or proposed  
364 until the Legislative Budget Commission or the Legislature makes  
365 a determination on the project.

366       3. Any project that requires funding in the amount of \$7.5  
367 million or greater must be approved by the Legislative Budget  
368 Commission before final approval by the Governor.

369       4. Any project that requires funding in the amount of \$5  
370 million or greater and that provides a waiver of program  
371 requirements must be approved by the Legislative Budget  
372 Commission prior to final approval by the Governor.

373       (c) Upon approval of a project under paragraph (b), the  
374 department shall issue a letter certifying the applicant as



123970

576-02558-15

375 qualified for an award.

376 (d) For purposes of paragraphs (b) and (c), the term  
377 "project" means a project that will receive funds under any one  
378 of the following programs:

379 1. The Local Government Distressed Area Matching Grant  
380 Program established by s. 288.0659.

381 2. The qualified defense contractor and space flight  
382 business tax refund program established under s. 288.1045.

383 3. The qualified target industry business tax refund  
384 authorized under s. 288.106.

385 4. The brownfield redevelopment bonus refund established  
386 under s. 288.107.

387 5. High-impact business performance grants established  
388 under s. 288.108.

389 6. The Quick Action Closing Fund established under s.  
390 288.1088.

391 7. The Innovation Incentive Program created by s. 288.1089.

392 (6) (a) Upon certification, the department and the applicant  
393 shall enter into an agreement or contract. The ~~contract or~~  
394 agreement or contract with the applicant must specify the total  
395 amount of the award, the performance conditions that must be met  
396 to obtain the award, the schedule for payment, and sanctions  
397 that would apply for failure to meet performance conditions. Any  
398 agreement or contract that requires capital investment to be  
399 made by the business must also require that such investment  
400 remain in this state for the duration of the agreement or  
401 contract. The department may enter into one agreement or  
402 contract covering all of the state incentives that are being  
403 provided to the applicant. The duration of an agreement or



123970

576-02558-15

404 contract may not exceed 10 years. However, the department may  
405 enter into a successive agreement or contract for a specific  
406 project to extend the initial 10-year term, provided that each  
407 successive agreement or contract is contingent upon the  
408 successful completion of the previous agreement or contract. If  
409 all of the state incentives for one agreement or contract total  
410 \$20 million or greater, the restriction on the term of the  
411 agreement or contract does not apply. The agreement or contract  
412 must provide that release of funds is contingent upon sufficient  
413 appropriation of funds by the Legislature.

414 (b) The release of funds for the incentive or incentives  
415 awarded to the applicant depends upon the statutory requirements  
416 of the particular incentive program. For any performance  
417 conditions that relate to job creation, the agreement or  
418 contract must require that the applicant use the workforce  
419 information systems implemented under s. 445.011.

420 ~~(7)(4)~~ The department shall validate contractor performance  
421 and report such validation in the annual incentives report  
422 required under s. 288.907.

423 ~~(8)(5)~~(a) The executive director may not approve an  
424 economic development incentive application unless the  
425 application includes a signed written declaration by the  
426 applicant which states that the applicant has read the  
427 information in the application and that the information is true,  
428 correct, and complete to the best of the applicant's knowledge  
429 and belief.

430 (b) After an economic development incentive application is  
431 approved, the awardee shall provide, in each year that the  
432 department is required to validate contractor performance, a



123970

576-02558-15

433 signed written declaration. The written declaration must state  
434 that the awardee has reviewed the information and that the  
435 information is true, correct, and complete to the best of the  
436 awardee's knowledge and belief.

437 (9) The department shall provide notice, including a  
438 written description and evaluation, to the Legislature of any  
439 proposed amendment to an agreement or contract. In order to  
440 provide an opportunity for review, at least 3 business days  
441 before signing an amendment to an agreement or contract, the  
442 department shall provide notice of the proposed change to the  
443 chair and vice chair of the Legislative Budget Commission, the  
444 President of the Senate, and the Speaker of the House of  
445 Representatives. However, a proposed amendment to an agreement  
446 or contract that reduces the projected economic benefits  
447 calculated at the time the agreement or contract was executed by  
448 0.50 or more or that results in an economic benefit ratio below  
449 a statutorily required level for receipt of funds is subject to  
450 the 10-day notice and objection procedures set forth in this  
451 section. Any such amended agreement or contract must also  
452 provide for a proportionate reduction in the award amount. If  
453 the chair or vice chair of the Legislative Budget Commission,  
454 the President of the Senate, or the Speaker of the House of  
455 Representatives timely advises the Governor, in writing, that  
456 such action or proposed action exceeds the delegated authority  
457 of the Governor or is contrary to legislative policy or intent,  
458 the Governor shall instruct the department to immediately  
459 suspend any action proposed or taken until the Legislative  
460 Budget Commission or the Legislature makes a determination on  
461 the project.





123970

576-02558-15

462       (10) (a) The department is authorized to execute contracts  
463 and agreements that obligate the state to make payments from  
464 appropriations in the current or a future fiscal year for  
465 incentive programs specified in this paragraph. The total amount  
466 of actual or projected funds approved for payment by the  
467 department based on actual project performance and the schedule  
468 of payments for each incentive contract or agreement may not  
469 exceed a combined total of \$50 million in any fiscal year for  
470 all of the following:

471       1. The Local Government Distressed Area Matching Grant  
472 Program established under s. 288.0659.

473       2. The qualified defense contractor and space flight  
474 business tax refund program established under s. 288.1045.

475       3. The qualified target industry businesses tax refund  
476 program established under s. 288.106.

477       4. The brownfield redevelopment bonus refund program  
478 established under s. 288.107.

479       5. The high-impact business performance grant program  
480 established under s. 288.108.

481       6. The Quick Action Closing Fund projects established under  
482 s. 288.1088, with the exception of those projects with funds  
483 held in escrow as of June 30, 2015, which are being paid out of  
484 the Quick Action Closing Fund Escrow Account under s. 288.095.

485       7. The Innovation Incentive Program established under s.  
486 288.1089.

487       (b) The funding limitation under paragraph (a) may only be  
488 waived by the Legislature in the General Appropriations Act or  
489 other legislation.

490       (c) The department shall provide notice, including an



123970

576-02558-15

491 updated description and evaluation, to the Legislature upon the  
492 final execution of each contract or agreement.

493 (d) By January 2 of each year, the department shall provide  
494 to the Legislature a list of projected payments for the  
495 following fiscal year and, by March 1 of each year, the  
496 department shall provide to the Legislature a list of claims  
497 actually filed for payment in the following fiscal year. The  
498 department may not make a scheduled payment under a contract or  
499 agreement for a given fiscal year until the department has  
500 validated that the applicant has met the performance  
501 requirements of the contract or agreement. The department may  
502 only make payments to the applicant and not to a third party.  
503 Any funds appropriated for scheduled payments in a fiscal year  
504 which are unexpended by June 30 of that year shall revert in  
505 accordance with s. 216.301 and may not be transferred to an  
506 escrow account.

507 (e) The Legislature shall annually appropriate in the  
508 General Appropriations Act an amount estimated to be sufficient  
509 to satisfy scheduled payments in the coming fiscal year. If the  
510 amount appropriated by the Legislature proves insufficient to  
511 satisfy the scheduled payments, the department shall pay the  
512 unfunded claims from the appropriation for the next fiscal year.  
513 By March 1 of each year, the department shall notify the  
514 legislative appropriations committees of any such anticipated  
515 shortfall for the current fiscal year and of the amount it  
516 estimates will be needed to pay claims during the next fiscal  
517 year.

518 (11)(6) The department is authorized to adopt rules to  
519 implement this section.



123970

576-02558-15

520 Section 5. Section 288.095, Florida Statutes, is amended to  
521 read:

522 288.095 Economic Development Trust Fund.—

523 (1) The Economic Development Trust Fund is created within  
524 the Department of Economic Opportunity. Moneys deposited into  
525 the fund must be used only to support the authorized activities  
526 and operations of the department. Moneys credited to the trust  
527 fund consist of local financial support funds; funds transferred  
528 from Enterprise Florida, Inc., which were held in an escrow  
529 account on June 30, 2015, for an approved Quick Action Closing  
530 Fund project; and interest earnings.

531 (2) There is created, within the Economic Development Trust  
532 Fund, the Economic Development Incentives Account. The Economic  
533 Development Incentives Account consists of moneys transferred  
534 from local governments as local financial support appropriated  
535 to the account for purposes of the tax incentives programs  
536 authorized under ss. 288.1045, ~~and~~ 288.106, and 288.107 local  
537 financial support provided under ss. 288.1045 and 288.106.  
538 Moneys in the Economic Development Incentives Account may be  
539 used only to pay tax refunds and make other payments authorized  
540 under s. 288.1045, s. 288.106, or s. 288.107, and may only be  
541 expended pursuant to Legislative appropriation or an approved  
542 amendment to the department's operating budget pursuant to  
543 chapter 216. Notwithstanding s. 216.301, and pursuant to s.  
544 216.351, any balance in the account at the end of a fiscal year  
545 remains in the account and is available for carrying out the  
546 purposes of the account shall be subject to the provisions of s.  
547 216.301(1) (a).

548 (3) (a) There is created, within the Economic Development



123970

576-02558-15

549 Trust Fund, the Quick Action Closing Fund Escrow Account. The  
550 Quick Action Closing Fund Escrow Account consists of moneys  
551 transferred from Enterprise Florida, Inc., which were held in an  
552 escrow account on June 30, 2015, for approved Quick Action  
553 Closing Fund contracts or agreements. Moneys in the Quick Action  
554 Closing Fund Escrow Account may be used only for the purpose of  
555 making payments authorized under s. 288.1088 for projects  
556 authorized by these contracts or agreements. A continuing  
557 appropriation category shall be established to make payments  
558 from the account. If an approved Quick Action Closing Fund  
559 project is terminated, the department shall submit a budget  
560 amendment to place the budget authority associated with the  
561 terminated award into reserve. The funds associated with the  
562 terminated award shall immediately revert to the State Economic  
563 Enhancement and Development Trust Fund. The continuing  
564 appropriation category expires on June 30, 2029.

565 (b) Notwithstanding s. 216.301, and pursuant to s. 216.351,  
566 any balance in the account at the end of a fiscal year remains  
567 in the account and is available for carrying out the purposes of  
568 the account. Any interest earnings in the account revert to the  
569 State Economic Enhancement and Development Trust Fund on June 30  
570 of each fiscal year. The Quick Action Closing Fund Escrow  
571 Account expires on June 30, 2029, and any funds remaining in the  
572 account shall revert to the State Economic Enhancement and  
573 Development Trust Fund. ~~The department may approve applications~~  
574 ~~for certification pursuant to ss. 288.1045(3) and 288.106.~~  
575 ~~However, the total state share of tax refund payments may not~~  
576 ~~exceed \$35 million.~~

577 ~~(b) The total amount of tax refund claims approved for~~



123970

576-02558-15

578 ~~payment by the department based on actual project performance~~  
579 ~~may not exceed the amount appropriated to the Economic~~  
580 ~~Development Incentives Account for such purposes for the fiscal~~  
581 ~~year. Claims for tax refunds under ss. 288.1045 and 288.106~~  
582 ~~shall be paid in the order the claims are approved by the~~  
583 ~~department. In the event the Legislature does not appropriate an~~  
584 ~~amount sufficient to satisfy the tax refunds under ss. 288.1045~~  
585 ~~and 288.106 in a fiscal year, the department shall pay the tax~~  
586 ~~refunds from the appropriation for the following fiscal year. By~~  
587 ~~March 1 of each year, the department shall notify the~~  
588 ~~legislative appropriations committees of the Senate and House of~~  
589 ~~Representatives of any anticipated shortfall in the amount of~~  
590 ~~funds needed to satisfy claims for tax refunds from the~~  
591 ~~appropriation for the current fiscal year.~~

592 ~~(c) Moneys in the Economic Development Incentives Account~~  
593 ~~may be used only to pay tax refunds and make other payments~~  
594 ~~authorized under s. 288.1045, s. 288.106, or s. 288.107.~~

595 ~~(4)(d)~~ The department may adopt rules necessary to carry  
596 out the provisions of this subsection, including rules providing  
597 for the use of moneys in the Economic Development Incentives  
598 Account and for the administration of the Economic Development  
599 Incentives Account and the Quick Action Closing Fund Escrow  
600 Account.

601 Section 6. By July 10, 2015, Enterprise Florida, Inc.,  
602 shall transfer any funds held in an escrow account on June 30,  
603 2015, for approved Quick Action Closing Fund contracts or  
604 agreements to the Quick Action Closing Fund Escrow Account  
605 within the Economic Development Trust Fund.

606 Section 7. Paragraph (b) of subsection (1), paragraphs (a),



123970

576-02558-15

607 (c), (e), and (f) of subsection (2), paragraphs (e) and (h) of  
608 subsection (3), paragraphs (a), (d), and (e) of subsection (5),  
609 and subsection (7) of section 288.1045, Florida Statutes, are  
610 amended to read:

611 288.1045 Qualified defense contractor and space flight  
612 business tax refund program.—

613 (1) DEFINITIONS.—As used in this section:

614 (b) "Average private sector wage in the area" means the  
615 average of all private sector wages and salaries in ~~the state,~~  
616 ~~the county,~~ or in the standard metropolitan area in which the  
617 business unit is located.

618 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.—

619 (a) There shall be allowed, ~~from the Economic Development~~  
620 ~~Trust Fund,~~ a refund to a qualified applicant for the amount of  
621 eligible taxes certified by the department which were paid by  
622 such qualified applicant. The total amount of refunds for all  
623 fiscal years for each qualified applicant shall be determined  
624 pursuant to subsection (3). The annual amount of a refund to a  
625 qualified applicant shall be determined pursuant to subsection  
626 (5).

627 (c) ~~Contingent upon an annual appropriation by the~~  
628 ~~Legislature,~~ The department may not approve ~~not~~ more in tax  
629 refunds ~~than the amount appropriated to the Economic Development~~  
630 ~~Trust Fund for tax refunds,~~ for a fiscal year than the amount  
631 specified in s. 288.061 pursuant to subsection (5) and s.  
632 288.095.

633 (e) After entering into a tax refund agreement pursuant to  
634 subsection (4), a qualified applicant may:

635 1. Receive refunds ~~from the account~~ for corporate income



123970

576-02558-15

636 taxes due and paid pursuant to chapter 220 by that business  
637 beginning with the first taxable year of the business which  
638 begins after entering into the agreement.

639 2. Receive refunds ~~from the account~~ for the following taxes  
640 due and paid by that business after entering into the agreement:

641 a. Taxes on sales, use, and other transactions paid  
642 pursuant to chapter 212.

643 b. Intangible personal property taxes paid pursuant to  
644 chapter 199.

645 c. Excise taxes paid on documents pursuant to chapter 201.

646 d. Ad valorem taxes paid, as defined in s. 220.03(1)(a) on  
647 June 1, 1996.

648 e. State communications services taxes administered under  
649 chapter 202. This provision does not apply to the gross receipts  
650 tax imposed under chapter 203 and administered under chapter 202  
651 or the local communications services tax authorized under s.  
652 202.19.

653  
654 However, a qualified applicant may not receive a tax refund  
655 pursuant to this section for any amount of credit, refund, or  
656 exemption granted such contractor for any of such taxes. If a  
657 refund for such taxes is provided by the department, which taxes  
658 are subsequently adjusted by the application of any credit,  
659 refund, or exemption granted to the qualified applicant other  
660 than that provided in this section, the qualified applicant  
661 shall reimburse the department ~~Economic Development Trust Fund~~  
662 for the amount of such credit, refund, or exemption. A qualified  
663 applicant must notify and tender payment to the department  
664 within 20 days after receiving a credit, refund, or exemption,



123970

576-02558-15

665 other than that provided in this section.

666 (f) Any qualified applicant who fraudulently claims this  
667 refund is liable for repayment of the refund to the department  
668 ~~Economic Development Trust Fund~~ plus a mandatory penalty of 200  
669 percent of the tax refund which shall be deposited into the  
670 General Revenue Fund. Any qualified applicant who fraudulently  
671 claims this refund commits a felony of the third degree,  
672 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

673 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY  
674 DETERMINATION.—

675 (e) To qualify for review by the department, the  
676 application of an applicant must, at a minimum, establish the  
677 following to the satisfaction of the department:

678 1. The jobs proposed to be provided under the application,  
679 pursuant to subparagraph (b)6., subparagraph (c)6., or  
680 subparagraph (j)6., must pay an estimated annual average wage  
681 equaling at least 115 percent of the average private sector wage  
682 in the area where the project is to be located.

683 2. The consolidation of a Department of Defense contract  
684 must result in a net increase of at least 25 percent in the  
685 number of jobs at the applicant's facilities in this state or  
686 the addition of at least 80 jobs at the applicant's facilities  
687 in this state.

688 3. The conversion of defense production jobs to nondefense  
689 production jobs must result in net increases in nondefense  
690 employment at the applicant's facilities in this state.

691 4. The Department of Defense contract or the space flight  
692 business contract cannot allow the business to include the costs  
693 of relocation or retooling in its base as allowable costs under





123970

576-02558-15

694 a cost-plus, or similar, contract.

695 5. A business unit of the applicant must have derived not  
696 less than 60 percent of its gross receipts in this state from  
697 Department of Defense contracts or space flight business  
698 contracts over the applicant's last fiscal year, and must have  
699 derived not less than an average of 60 percent of its gross  
700 receipts in this state from Department of Defense contracts or  
701 space flight business contracts over the 5 years preceding the  
702 date an application is submitted pursuant to this section. This  
703 subparagraph does not apply to any application for certification  
704 based on a contract for reuse of a defense-related facility.

705 6. The reuse of a defense-related facility must result in  
706 the creation of at least 100 jobs at such facility.

707 7. A new space flight business contract or the  
708 consolidation of a space flight business contract must result in  
709 net increases in space flight business employment at the  
710 applicant's facilities in this state.

711 (h) The department may not certify any applicant as a  
712 qualified applicant when the value of tax refunds to be included  
713 in that letter of certification exceeds the available amount of  
714 authority to certify a new business in any fiscal year  
715 ~~businesses~~ as determined pursuant to s. 288.061(10) in s.  
716 ~~288.095(3)~~. A letter of certification that approves an  
717 application must specify the maximum amount of a tax refund that  
718 is to be available to the contractor for each fiscal year and  
719 the total amount of tax refunds for all fiscal years.

720 (5) ANNUAL CLAIM FOR REFUND.—

721 (a) To be eligible to claim any scheduled tax refund,  
722 qualified applicants who have entered into a written agreement



123970

576-02558-15

723 with the department pursuant to subsection (4) and who have  
724 entered into a valid new Department of Defense contract, entered  
725 into a valid new space flight business contract, commenced the  
726 consolidation of a space flight business contract, commenced the  
727 consolidation of a Department of Defense contract, commenced the  
728 conversion of defense production jobs to nondefense production  
729 jobs, or entered into a valid contract for reuse of a defense-  
730 related facility must apply by January 31 of each fiscal year to  
731 the department for tax refunds scheduled to be paid from the  
732 appropriation for the fiscal year that begins on July 1  
733 following the January 31 claims-submission date. The department  
734 may, upon written request, grant up to a 60-day ~~30-day~~ extension  
735 of the filing date. The application must include a notarized  
736 signature of an officer of the applicant.

737 (d) The department, with assistance from the Department of  
738 Revenue, shall, by June 30 following the scheduled date for  
739 submitting the tax refund claim, specify by written order the  
740 approval or disapproval of the tax refund claim and, if  
741 approved, the amount of the tax refund that is authorized to be  
742 paid to the qualified applicant for the annual tax refund. The  
743 department may grant up to a 60-day ~~an~~ extension of this date  
744 upon the request of the qualified applicant for the purpose of  
745 filing additional information in support of the claim.

746 (e) The total amount of tax refunds approved by the  
747 department under this section in any fiscal year may not exceed  
748 the amount authorized under s. 288.061(10) ~~s. 288.095(3)~~.

749 (7) EXPIRATION.—An applicant may not be certified as  
750 qualified under this section after June 30, 2020 ~~2014~~. A tax  
751 refund agreement existing on that date shall continue in effect



123970

576-02558-15

752 in accordance with its terms.

753 Section 8. Paragraphs (c) and (k) of subsection (2),  
754 paragraphs (a), (d), (e), and (g) of subsection (3), paragraphs  
755 (b) and (e) of subsection (4), and paragraphs (a) and (d)  
756 through (g) of subsection (6) of section 288.106, Florida  
757 Statutes, are amended to read:

758 288.106 Tax refund program for qualified target industry  
759 businesses.—

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

761 (c) "Average private sector wage in the area" means ~~the~~  
762 ~~statewide private sector average wage or~~ the average of all  
763 private sector wages and salaries in the county or in the  
764 standard metropolitan area in which the business is located.

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

772 (3) TAX REFUND; ELIGIBLE AMOUNTS.—

773 (a) There shall be allowed, ~~from the account,~~ a refund to a  
774 qualified target industry business for the amount of eligible  
775 taxes certified by the department that were paid by the  
776 business. The total amount of refunds for all fiscal years for  
777 each qualified target industry business must be determined  
778 pursuant to subsection (4). The annual amount of a refund to a  
779 qualified target industry business must be determined pursuant  
780 to subsection (6).



123970

576-02558-15

781 (d) After entering into a tax refund agreement under  
782 subsection (5), a qualified target industry business may:

783 1. Receive refunds ~~from the account~~ for the following taxes  
784 due and paid by that business beginning with the first taxable  
785 year of the business that begins after entering into the  
786 agreement:

787 a. Corporate income taxes under chapter 220.

788 b. Insurance premium tax under s. 624.509.

789 2. Receive refunds from ~~the account for~~ the following taxes  
790 due and paid by that business after entering into the agreement:

791 a. Taxes on sales, use, and other transactions under  
792 chapter 212.

793 b. Intangible personal property taxes under chapter 199.

794 c. Excise taxes on documents under chapter 201.

795 d. Ad valorem taxes paid, as defined in s. 220.03(1).

796 e. State communications services taxes administered under  
797 chapter 202. This provision does not apply to the gross receipts  
798 tax imposed under chapter 203 and administered under chapter 202  
799 or the local communications services tax authorized under s.  
800 202.19.

801 (e) However, a qualified target industry business may not  
802 receive a refund under this section for any amount of credit,  
803 refund, or exemption previously granted to that business for any  
804 of the taxes listed in paragraph (d). If a refund for such taxes  
805 is provided by the department, which taxes are subsequently  
806 adjusted by the application of any credit, refund, or exemption  
807 granted to the qualified target industry business other than as  
808 provided in this section, the business shall reimburse the  
809 department ~~account~~ for the amount of that credit, refund, or



123970

576-02558-15

810 exemption. A qualified target industry business shall notify and  
811 tender payment to the department within 20 days after receiving  
812 any credit, refund, or exemption other than one provided in this  
813 section.

814 (g) A qualified target industry business that fraudulently  
815 claims a refund under this section:

816 1. Is liable for repayment of the amount of the refund to  
817 the department ~~account~~, plus a mandatory penalty in the amount  
818 of 200 percent of the tax refund which shall be deposited into  
819 the General Revenue Fund.

820 2. Commits a felony of the third degree, punishable as  
821 provided in s. 775.082, s. 775.083, or s. 775.084.

822 (4) APPLICATION AND APPROVAL PROCESS.-

823 (b) To qualify for review by the department, the  
824 application of a target industry business must, at a minimum,  
825 establish the following to the satisfaction of the department:

826 1.a. The jobs proposed to be created under the application,  
827 pursuant to subparagraph (a)4., must pay an estimated annual  
828 average wage equaling at least 115 percent of the average  
829 private sector wage in the area where the business is to be  
830 located ~~or the statewide private sector average wage~~. The  
831 governing board of the local governmental entity providing the  
832 local financial support of the jurisdiction where the qualified  
833 target industry business is to be located shall notify the  
834 department and Enterprise Florida, Inc., which calculation of  
835 the average private sector wage in the area must be used as the  
836 basis for the business's wage commitment. In determining the  
837 average annual wage, the department shall include only new  
838 proposed jobs, and wages for existing jobs shall be excluded



123970

576-02558-15

839 from this calculation.

840           b. The department may waive the average wage requirement at  
841 the request of the local governing body recommending the project  
842 and Enterprise Florida, Inc. The department may waive the wage  
843 requirement for a project located in a brownfield area  
844 designated under s. 376.80, in a rural city, in a rural  
845 community, in an enterprise zone, or for a manufacturing project  
846 at any location in the state if the jobs proposed to be created  
847 pay an estimated annual average wage equaling at least 100  
848 percent of the average private sector wage in the area where the  
849 business is to be located, only if the merits of the individual  
850 project or the specific circumstances in the community in  
851 relationship to the project warrant such action. If the local  
852 governing body and Enterprise Florida, Inc., make such a  
853 recommendation, it must be transmitted in writing with,~~and~~ the  
854 specific justification for the waiver recommendation ~~must be~~  
855 explained. If the department elects to waive the wage  
856 requirement, the waiver must be stated in writing with,~~and~~ the  
857 reasons for granting the waiver ~~must be~~ explained.

858           2. The target industry business's project must result in  
859 the creation of at least 10 jobs at the project and, in the case  
860 of an expansion of an existing business, must result in a net  
861 increase in employment of at least 10 percent at the business.  
862 At the request of the local governing body recommending the  
863 project and Enterprise Florida, Inc., the department may waive  
864 this requirement for a business in a rural community or  
865 enterprise zone if the merits of the individual project or the  
866 specific circumstances in the community in relationship to the  
867 project warrant such action. If the local governing body and



123970

576-02558-15

868 Enterprise Florida, Inc., make such a request, the request must  
869 be transmitted in writing with an explanation of,~~and~~ the  
870 specific justification for the request ~~must be explained~~. If the  
871 department elects to grant the request, the grant must be stated  
872 in writing and explain,~~and~~ the reason for granting the request  
873 ~~must be explained~~.

874 3. The business activity or product for the applicant's  
875 project must be within an industry identified by the department  
876 as a target industry business that contributes to the economic  
877 growth of the state and the area in which the business is  
878 located, that produces a higher standard of living for residents  
879 of this state in the new global economy, or that can be shown to  
880 make an equivalent contribution to the area's and state's  
881 economic progress.

882 (e) The department may not certify any target industry  
883 business as a qualified target industry business if the value of  
884 tax refunds to be included in that letter of certification  
885 exceeds the available amount of authority to certify a new  
886 business in any fiscal year ~~businesses~~ as determined pursuant to  
887 s. 288.061(10) ~~in s. 288.095(3)~~. ~~However,~~ Except as provided in  
888 paragraph (2)(k), if the commitments of local financial support  
889 represent less than 20 percent of the eligible tax refund  
890 payments, or to otherwise preserve the viability and fiscal  
891 integrity of the program, the department may certify a qualified  
892 target industry business to receive tax refund payments of less  
893 than the allowable amounts specified in paragraph (3)(b). A  
894 letter of certification that approves an application must  
895 specify the maximum amount of tax refund that will be available  
896 to the qualified industry business in each fiscal year and the



123970

576-02558-15

897 total amount of tax refunds that will be available to the  
898 business for all fiscal years.

899 (6) ANNUAL CLAIM FOR REFUND.—

900 (a) To be eligible to claim any scheduled tax refund, a  
901 qualified target industry business that has entered into a tax  
902 refund agreement with the department under subsection (5) must  
903 apply by January 31 of each fiscal year to the department for  
904 the tax refund scheduled to be paid from the appropriation for  
905 the fiscal year that begins on July 1 following the January 31  
906 claims-submission date. The department may, upon written  
907 request, grant up to a 60-day ~~30-day~~ extension of the filing  
908 date.

909 (d) A tax refund may not be approved for a qualified target  
910 industry business unless the required local financial support  
911 has been paid into the account for that refund. Except as  
912 provided in paragraph (2) (k), if the local financial support  
913 provided is less than 20 percent of the approved tax refund, the  
914 tax refund must be reduced. In no event may the tax refund  
915 exceed an amount that is equal to 5 times the amount of the  
916 local financial support received. Further, funding from local  
917 sources includes any tax abatement granted to that business  
918 under s. 196.1995 or the appraised market value of municipal or  
919 county land conveyed or provided at a discount to that business.  
920 The amount of any tax refund for such business approved under  
921 this section must be reduced by the amount of any such tax  
922 abatement granted or the value of the land granted, and the  
923 limitations in subsection (3) and paragraph (4) (e) must be  
924 reduced by the amount of any such tax abatement or the value of  
925 the land granted. A report listing all sources of the local





123970

576-02558-15

926 financial support shall be provided to the department when such  
927 support is paid to the account.

928 (e) A prorated tax refund, less a 5 percent penalty, shall  
929 be approved for a qualified target industry business if all  
930 other applicable requirements have been satisfied and the  
931 business proves to the satisfaction of the department that:

932 1. It has achieved at least 80 percent of its projected  
933 employment; and

934 2. The average wage paid by the business is at least 90  
935 percent of that the average wage specified in the tax refund  
936 agreement. However, the average wage may not be, but in no case  
937 less than 115 percent of the average private sector wage in the  
938 area available at the time of certification; or, if the business  
939 requested the additional per-job tax refund authorized in  
940 paragraph (3) (b) for wages of at least 150 percent of the  
941 average private sector wage in the area available at the time of  
942 certification, less than 135 percent of the average private  
943 sector wage in the area available at the time of certification;  
944 or if the business requested the additional per-job tax refund  
945 authorized in paragraph (3) (b) for wages of at least 150 percent  
946 or 200 percent of the average private sector wage in the area  
947 available at the time of certification, less than 180 percent of  
948 the average private sector wage in the area available at the  
949 time of certification if the business requested the additional  
950 per-job tax refund authorized in paragraph (3) (b) for wages  
951 above those levels. The prorated tax refund shall be calculated  
952 by multiplying the tax refund amount for which the qualified  
953 target industry business would have been eligible, if all  
954 applicable requirements had been satisfied, by the percentage of



123970

576-02558-15

955 the average employment specified in the tax refund agreement  
956 which was achieved, and by the percentage of the average wages  
957 specified in the tax refund agreement which was achieved.

958 (f) The department, with such assistance as may be required  
959 from the Department of Revenue, shall, by June 30 following the  
960 scheduled date for submission of the tax refund claim, specify  
961 by written order the approval or disapproval of the tax refund  
962 claim and, if approved, the amount of the tax refund that is  
963 authorized to be paid to the qualified target industry business  
964 for the annual tax refund. The department may grant up to a 60-  
965 day ~~an~~ extension of this date on the request of the qualified  
966 target industry business for the purpose of filing additional  
967 information in support of the claim.

968 (g) The total amount of tax refund claims approved by the  
969 department under this section in any fiscal year may ~~must~~ not  
970 exceed the amount authorized under s. 288.061(10) ~~s. 288.095(3)~~.

971 Section 9. Paragraph (d) of subsection (1), subsection (2),  
972 paragraph (b) of subsection (3), and paragraphs (d), (e), and  
973 (i) of subsection (4) of section 288.107, Florida Statutes, are  
974 amended to read:

975 288.107 Brownfield redevelopment bonus refunds.—

976 (1) DEFINITIONS.—As used in this section:

977 (d) "Eligible business" means:

978 1. A qualified target industry business as defined in s.  
979 288.106(2); or

980 2. A business that can demonstrate that it has made a fixed  
981 capital investment of at least \$2 million in mixed-use business  
982 activities, including multiunit housing, commercial, retail, and  
983 industrial in brownfield areas eligible for bonus refunds, and



123970

576-02558-15

984 that provides benefits to its employees.

985 (2) BROWNFIELD REDEVELOPMENT BONUS REFUND.—Bonus refunds  
986 shall be approved by the department as specified in the final  
987 order and allowed ~~from the account~~ as follows:

988 (a) A bonus refund of \$2,500 shall be allowed to any  
989 qualified target industry business as defined in s. 288.106 for  
990 each new Florida job created in a brownfield area eligible for  
991 bonus refunds which is claimed on the qualified target industry  
992 business's annual refund claim authorized in s. 288.106(6).

993 (b) A bonus refund of up to \$2,500 shall be allowed to any  
994 other eligible business as defined in subparagraph (1)(d)2. for  
995 each new Florida job created in a brownfield area eligible for  
996 bonus refunds which is claimed under an annual claim procedure  
997 similar to the annual refund claim authorized in s. 288.106(6).  
998 The amount of the refund shall be equal to 20 percent of the  
999 average annual wage for the jobs created.

1000 (3) CRITERIA.—The minimum criteria for participation in the  
1001 brownfield redevelopment bonus refund are:

1002 (b) The completion of a fixed capital investment of at  
1003 least \$2 million in mixed-use business activities, including  
1004 multiunit housing, commercial, retail, and industrial in  
1005 brownfield areas eligible for bonus refunds, by an eligible  
1006 business applying for a refund under paragraph (2)(b) which  
1007 provides benefits to its employees. As used in this paragraph,  
1008 the term "fixed capital investment" does not include state funds  
1009 used for the capital investment, including state funds  
1010 appropriated to public and private entities.

1011 (4) PAYMENT OF BROWNFIELD REDEVELOPMENT BONUS REFUNDS.—

1012 (d) After entering into a tax refund agreement as provided



123970

576-02558-15

1013 in s. 288.106 or other similar agreement for other eligible  
1014 businesses as defined in paragraph (1)(e), an eligible business  
1015 may receive brownfield redevelopment bonus refunds ~~from the~~  
1016 ~~account~~ pursuant to s. 288.106(3)(d).

1017 (e) An eligible business that fraudulently claims a refund  
1018 under this section:

1019 1. Is liable for repayment of the amount of the refund to  
1020 the department account, plus a mandatory penalty in the amount  
1021 of 200 percent of the tax refund, which shall be deposited into  
1022 the General Revenue Fund.

1023 2. Commits a felony of the third degree, punishable as  
1024 provided in s. 775.082, s. 775.083, or s. 775.084.

1025 (i) The total amount of the bonus refunds approved by the  
1026 department under this section in any fiscal year may ~~must~~ not  
1027 exceed the ~~total~~ amount specified in s. 288.061(10) ~~appropriated~~  
1028 ~~to the Economic Development Incentives Account for this purpose~~  
1029 ~~for the fiscal year. In the event that the Legislature does not~~  
1030 ~~appropriate an amount sufficient to satisfy projections by the~~  
1031 ~~department for brownfield redevelopment bonus refunds under this~~  
1032 ~~section in a fiscal year, the department shall, not later than~~  
1033 ~~July 15 of such year, determine the proportion of each~~  
1034 ~~brownfield redevelopment bonus refund claim which shall be paid~~  
1035 ~~by dividing the amount appropriated for tax refunds for the~~  
1036 ~~fiscal year by the projected total of brownfield redevelopment~~  
1037 ~~bonus refund claims for the fiscal year. The amount of each~~  
1038 ~~claim for a brownfield redevelopment bonus tax refund shall be~~  
1039 ~~multiplied by the resulting quotient. If, after the payment of~~  
1040 ~~all such refund claims, funds remain in the Economic Development~~  
1041 ~~Incentives Account for brownfield redevelopment tax refunds, the~~



123970

576-02558-15

1042 ~~department shall recalculate the proportion for each refund~~  
1043 ~~claim and adjust the amount of each claim accordingly.~~

1044 Section 10. Subsection (4) of section 288.108, Florida  
1045 Statutes, is amended to read:

1046 288.108 High-impact business.—

1047 (4) AUTHORITY TO APPROVE QUALIFIED HIGH-IMPACT BUSINESS  
1048 PERFORMANCE GRANTS.—

1049 ~~(a) The total amount of active performance grants scheduled~~  
1050 ~~for payment by the department in any single fiscal year may not~~  
1051 ~~exceed the amount specified in s. 288.061(10) lesser of \$30~~  
1052 ~~million or the amount appropriated by the Legislature for that~~  
1053 ~~fiscal year for qualified high-impact business performance~~  
1054 ~~grants. If the scheduled grant payments are not made in the year~~  
1055 ~~for which they were scheduled in the qualified high-impact~~  
1056 ~~business agreement and are rescheduled as authorized in~~  
1057 ~~paragraph (3)(e), they are, for purposes of this paragraph,~~  
1058 ~~deemed to have been paid in the year in which they were~~  
1059 ~~originally scheduled in the qualified high-impact business~~  
1060 ~~agreement.~~

1061 ~~(b) If the Legislature does not appropriate an amount~~  
1062 ~~sufficient to satisfy the qualified high-impact business~~  
1063 ~~performance grant payments scheduled for any fiscal year, the~~  
1064 ~~department shall, not later than July 15 of that year, determine~~  
1065 ~~the proportion of each grant payment which may be paid by~~  
1066 ~~dividing the amount appropriated for qualified high-impact~~  
1067 ~~business performance grant payments for the fiscal year by the~~  
1068 ~~total performance grant payments scheduled in all performance~~  
1069 ~~grant agreements for the fiscal year. The amount of each grant~~  
1070 ~~scheduled for payment in that fiscal year must be multiplied by~~



123970

576-02558-15

1071 ~~the resulting quotient. All businesses affected by this~~  
1072 ~~calculation must be notified by August 1 of each fiscal year.~~  
1073 ~~If, after the payment of all the refund claims, funds remain in~~  
1074 ~~the appropriation for payment of qualified high-impact business~~  
1075 ~~performance grants, the department shall recalculate the~~  
1076 ~~proportion for each performance grant payment and adjust the~~  
1077 ~~amount of each claim accordingly.~~

1078 Section 11. Subsections (2), (3), and (4) of section  
1079 288.1088, Florida Statutes, are amended to read:

1080 288.1088 Quick Action Closing Fund.—

1081 (2) There is created within the department the Quick Action  
1082 Closing Fund. Except as provided in subsection (3), projects  
1083 eligible for receipt of funds from the Quick Action Closing Fund  
1084 must shall:

1085 (a) Be in an industry as referenced in s. 288.106.

1086 (b) Have a positive economic benefit ratio of at least 4 to  
1087 1 5 to 1.

1088 (c) Be an inducement to the project's location or expansion  
1089 in the state.

1090 (d) Pay an average annual wage of at least 125 percent of  
1091 the average areawide or statewide private sector average wage in  
1092 the area. As used in this section, the term "average private  
1093 sector wage in the area" means the average of all private sector  
1094 wages in the county or in the standard metropolitan area in  
1095 which the project is located as determined by the department.

1096 (e) Be supported by the local community in which the  
1097 project is to be located.

1098 (3) (a) The department and Enterprise Florida, Inc., shall  
1099 jointly review applications pursuant to s. 288.061 and determine



123970

576-02558-15

1100 the eligibility of each project consistent with the criteria in  
1101 subsection (2).

1102 (b) If the local governing body and Enterprise Florida,  
1103 Inc., decide to request a waiver of the criteria in subsection  
1104 (2), such request must be transmitted in writing to the  
1105 department with an explanation of the specific justification for  
1106 the request. If the department approves the request, the  
1107 decision must be stated in writing with an explanation of the  
1108 reason for approving the request.

1109 (c) The department may not waive more than two of the  
1110 criteria in subsection (2), and a waiver may

1111 ~~Waiver of these criteria may be considered only under the~~  
1112 ~~following criteria:~~

1113 1. If the department determines the existence of ~~Based on~~  
1114 ~~extraordinary circumstances;~~

1115 2. In order to mitigate the impact of the conclusion of the  
1116 space shuttle program; or

1117 3. In rural areas of opportunity if the project would  
1118 significantly benefit the local or regional economy.

1119 (d) The criteria in subsection (2) may not be waived if:

1120 1. The economic benefit ratio would be below 2 to 1; or

1121 2. The average annual wage would be below 100 percent of  
1122 the average private sector wage in the area.

1123 (e) The criteria that the incentive be an inducement to the  
1124 project's location or expansion in this state may not be waived.

1125 (4) ~~(b)~~ The department shall evaluate individual proposals  
1126 for high-impact business facilities. Such evaluation must  
1127 include, but need not be limited to:

1128 (a) ~~1-~~ A description of the type of facility or



123970

576-02558-15

1129 infrastructure, its operations, and the associated product or  
1130 service associated with the facility.

1131 ~~(b)2.~~ The minimum and maximum number of full-time-  
1132 equivalent jobs that will be created by the facility and the  
1133 total estimated average annual wages of those jobs or, in the  
1134 case of privately developed rural infrastructure, the types of  
1135 business activities and jobs stimulated by the investment.

1136 ~~(c)3.~~ The cumulative amount of investment to be dedicated  
1137 to the facility within a specified period.

1138 ~~(d)4.~~ A statement of any special impacts the facility is  
1139 expected to stimulate in a particular business sector in the  
1140 state or regional economy or in the state's universities and  
1141 community colleges.

1142 ~~(e)5.~~ A statement of the role the incentive is expected to  
1143 play in the decision of the applicant business to locate or  
1144 expand in this state or for the private investor to provide  
1145 critical rural infrastructure.

1146 ~~(f)6.~~ A report evaluating the quality and value of the  
1147 company submitting a proposal. The report must include:

1148 ~~1.a.~~ A financial analysis of the company, including an  
1149 evaluation of the company's short-term liquidity ratio as  
1150 measured by its assets to liability, the company's profitability  
1151 ratio, and the company's long-term solvency as measured by its  
1152 debt-to-equity ratio;

1153 ~~2.b.~~ The historical market performance of the company;

1154 ~~3.c.~~ A review of any independent evaluations of the  
1155 company;

1156 ~~4.d.~~ A review of the latest audit of the company's  
1157 financial statement and the related auditor's management letter;





123970

576-02558-15

1158 and  
1159 ~~5.e.~~ A review of any other types of audits that are related  
1160 to the internal and management controls of the company.

1161 ~~(c)1. Within 7 business days after evaluating a project,~~  
1162 ~~the department shall recommend to the Governor approval or~~  
1163 ~~disapproval of a project for receipt of funds from the Quick~~  
1164 ~~Action Closing Fund. In recommending a project, the department~~  
1165 ~~shall include proposed performance conditions that the project~~  
1166 ~~must meet to obtain incentive funds.~~

1167 ~~2. The Governor may approve projects without consulting the~~  
1168 ~~Legislature for projects requiring less than \$2 million in~~  
1169 ~~funding.~~

1170 ~~3. For projects requiring funding in the amount of \$2~~  
1171 ~~million to \$5 million, the Governor shall provide a written~~  
1172 ~~description and evaluation of a project recommended for approval~~  
1173 ~~to the chair and vice chair of the Legislative Budget Commission~~  
1174 ~~at least 10 days prior to giving final approval for a project.~~  
1175 ~~The recommendation must include proposed performance conditions~~  
1176 ~~that the project must meet in order to obtain funds.~~

1177 ~~4. If the chair or vice chair of the Legislative Budget~~  
1178 ~~Commission or the President of the Senate or the Speaker of the~~  
1179 ~~House of Representatives timely advises the Executive Office of~~  
1180 ~~the Governor, in writing, that such action or proposed action~~  
1181 ~~exceeds the delegated authority of the Executive Office of the~~  
1182 ~~Governor or is contrary to legislative policy or intent, the~~  
1183 ~~Executive Office of the Governor shall void the release of funds~~  
1184 ~~and instruct the department to immediately change such action or~~  
1185 ~~proposed action until the Legislative Budget Commission or the~~  
1186 ~~Legislature addresses the issue. Notwithstanding such~~



123970

576-02558-15

1187 ~~requirement, any project exceeding \$5 million must be approved~~  
1188 ~~by the Legislative Budget Commission prior to the funds being~~  
1189 ~~released.~~

1190 (5)(d) Upon the approval of the Governor, the department  
1191 and the business shall enter into a contract that sets forth the  
1192 conditions for payment of moneys from the fund. Such payment may  
1193 not be made to the business until the scheduled goals have been  
1194 achieved. The contract must include the total amount of funds  
1195 awarded; the minimum and maximum amount of funds that may be  
1196 awarded, if applicable; the performance conditions that must be  
1197 met to obtain the award, including, but not limited to, net new  
1198 employment in the state, average salary, ~~and~~ total capital  
1199 investment incurred by the business, and the minimum and maximum  
1200 number of jobs that will be created, if applicable; demonstrate  
1201 a baseline of current service and a measure of enhanced  
1202 capability; the methodology for validating performance; the  
1203 schedule of payments from the fund; and sanctions for failure to  
1204 meet performance conditions. The contract must provide that  
1205 payment of moneys from the fund is contingent upon sufficient  
1206 appropriation of funds by the Legislature.

1207 (6)(e) The department shall validate contractor performance  
1208 and report such validation in the annual incentives report  
1209 required under s. 288.907.

1210 ~~(4) Funds appropriated by the Legislature for purposes of~~  
1211 ~~implementing this section shall be placed in reserve and may~~  
1212 ~~only be released pursuant to the legislative consultation and~~  
1213 ~~review requirements set forth in this section.~~

1214 Section 12. Paragraph (b) of subsection (2), paragraphs (a)  
1215 and (d) of subsection (4), subsection (7), and paragraph (b) of



123970

576-02558-15

1216 subsection (8) of section 288.1089, Florida Statutes, are  
1217 amended to read:

1218 288.1089 Innovation Incentive Program.—

1219 (2) As used in this section, the term:

1220 (b) "Average private sector wage in the area" means ~~the~~  
1221 ~~statewide average wage in the private sector or~~ the average of  
1222 all private sector wages in the county or in the standard  
1223 metropolitan area in which the project is located as determined  
1224 by the department.

1225 (4) To qualify for review by the department, the applicant  
1226 must, at a minimum, establish the following to the satisfaction  
1227 of the department:

1228 (a) The jobs created by the project must pay an estimated  
1229 annual average wage equaling at least 130 percent of the average  
1230 private sector wage in the area. The department may waive this  
1231 average wage requirement at the request of Enterprise Florida,  
1232 Inc., for a project located in a rural area, a brownfield area,  
1233 or an enterprise zone, when the merits of the individual project  
1234 or the specific circumstances in the community in relationship  
1235 to the project warrant such action. A recommendation for waiver  
1236 by Enterprise Florida, Inc., must include a specific  
1237 justification for the waiver and be transmitted to the  
1238 department in writing. If the department elects to waive the  
1239 wage requirement, the waiver must be stated in writing and  
1240 explain ~~and~~ the reasons for granting the waiver ~~must be~~  
1241 ~~explained~~.

1242 (d) For an alternative and renewable energy project in this  
1243 state, the project must:

1244 1. Demonstrate a plan for significant collaboration with an



123970

576-02558-15

1245 institution of higher education;

1246 2. Provide the state, at a minimum, a cumulative break-even  
1247 economic benefit within a 20-year period;

1248 3. Include matching funds provided by the applicant or  
1249 other available sources. The match requirement may be reduced or  
1250 waived in rural areas of opportunity or reduced in rural areas,  
1251 brownfield areas, and enterprise zones;

1252 4. Be located in this state; and

1253 5. Provide at least 35 direct, new jobs that pay an  
1254 estimated annual average wage that equals at least 130 percent  
1255 of the average private sector wage in the area.

1256 (7) Upon receipt of the evaluation and recommendation from  
1257 the department, the Governor shall approve or deny an award  
1258 pursuant to s. 288.061. In recommending approval of an award,  
1259 the department shall include proposed performance conditions  
1260 that the applicant must meet in order to obtain incentive funds  
1261 and any other conditions that must be met before the receipt of  
1262 any incentive funds. ~~The Governor shall consult with the  
1263 President of the Senate and the Speaker of the House of  
1264 Representatives before giving approval for an award. Upon review  
1265 and approval of an award by the Legislative Budget Commission,  
1266 the Executive Office of the Governor shall release the funds.~~

1267 (8)

1268 (b) Additionally, agreements ~~signed on or after July 1,  
1269 2009,~~ must include the following provisions:

1270 1. Notwithstanding subsection (4), a requirement that the  
1271 jobs created by the recipient of the incentive funds pay an  
1272 annual average wage at least equal to the relevant industry's  
1273 annual average wage or at least 130 percent of the average



123970

576-02558-15

1274 private sector wage in the area, whichever is greater.

1275         2. A reinvestment requirement. Each recipient of an award  
1276 shall reinvest up to 15 percent of net royalty revenues,  
1277 including revenues from spin-off companies and the revenues from  
1278 the sale of stock it receives from the licensing or transfer of  
1279 inventions, methods, processes, and other patentable discoveries  
1280 conceived or reduced to practice using its facilities in Florida  
1281 or its Florida-based employees, in whole or in part, and to  
1282 which the recipient of the grant becomes entitled during the 20  
1283 years following the effective date of its agreement with the  
1284 department. Each recipient of an award also shall reinvest up to  
1285 15 percent of the gross revenues it receives from naming  
1286 opportunities associated with any facility it builds in this  
1287 state. Reinvestment payments shall commence no later than 6  
1288 months after the recipient of the grant has received the final  
1289 disbursement under the contract and shall continue until the  
1290 maximum reinvestment, as specified in the contract, has been  
1291 paid. Reinvestment payments shall be remitted to the department  
1292 for deposit in the Biomedical Research Trust Fund for companies  
1293 specializing in biomedicine or life sciences, or in the Economic  
1294 Development Trust Fund for companies specializing in fields  
1295 other than biomedicine or the life sciences. If these trust  
1296 funds no longer exist at the time of the reinvestment, the  
1297 state's share of reinvestment shall be deposited in their  
1298 successor trust funds as determined by law. Each recipient of an  
1299 award shall annually submit a schedule of the shares of stock  
1300 held by it as payment of the royalty required by this paragraph  
1301 and report on any trades or activity concerning such stock. Each  
1302 recipient's reinvestment obligations survive the expiration or



123970

576-02558-15

1303 termination of its agreement with the state.

1304         3. Requirements for the establishment of internship  
1305 programs or other learning opportunities for educators and  
1306 secondary, postsecondary, graduate, and doctoral students.

1307         4. A requirement that the recipient submit quarterly  
1308 reports and annual reports related to activities and performance  
1309 to the department, according to standardized reporting periods.

1310         5. A requirement for an annual accounting to the department  
1311 of the expenditure of funds disbursed under this section.

1312         6. A process for amending the agreement.

1313         Section 13. Subsection (2) of section 288.1201, Florida  
1314 Statutes, is amended to read:

1315         288.1201 State Economic Enhancement and Development Trust  
1316 Fund.—

1317         (2) The trust fund is established for use as a depository  
1318 for funds to be used for the purposes specified in subsection  
1319 (1). Moneys to be credited to the trust fund shall consist of  
1320 documentary stamp tax proceeds as specified in law, local  
1321 financial support funds, interest earnings, reversions specified  
1322 in law, and cash advances from other trust funds. Funds shall be  
1323 expended only pursuant to legislative appropriation or an  
1324 approved amendment to the department's operating budget pursuant  
1325 to the provisions of chapter 216.

1326         Section 14. Subsection (1) is amended and subsection (5) is  
1327 added to section 288.905, Florida Statutes, to read:

1328         288.905 President and employees of Enterprise Florida,  
1329 Inc.—

1330         (1) The board of directors of Enterprise Florida, Inc.,  
1331 shall appoint a president, subject to confirmation by the



123970

576-02558-15

1332 Senate, who shall serve at the pleasure of the Governor. The  
1333 president shall also be known as the "secretary of commerce" and  
1334 shall serve as the Governor's chief negotiator for business  
1335 recruitment and business expansion.

1336 (5) For a period of 2 years following vacation of office, a  
1337 former president may not receive compensation for personally  
1338 representing before the legislative or executive branch of state  
1339 government an entity that applied for funding, received state  
1340 funds, or negotiated with Enterprise Florida, Inc., for the  
1341 receipt of state funds, regardless of whether the entity  
1342 actually received any state funds.

1343 Section 15. The changes made to s. 288.905, Florida  
1344 Statutes, apply only to presidents who are appointed or  
1345 reappointed on or after July 1, 2015.

1346 Section 16. Section 288.9937, Florida Statutes, is amended  
1347 to read:

1348 288.9937 Evaluation of programs.—The Office of Economic and  
1349 Demographic Research and the Office of Program Policy Analysis  
1350 and Government Accountability shall analyze and r evaluate, and  
1351 ~~determine the economic benefits, as defined in s. 288.005, of~~  
1352 the first 3 years of the Microfinance Loan Program and the  
1353 Microfinance Guarantee Program. The analysis by the Office of  
1354 Economic and Demographic Research must also determine the  
1355 economic benefits, as defined in s. 288.005, evaluate the number  
1356 of jobs created, the increase or decrease in personal income,  
1357 and the impact on state gross domestic product from the direct,  
1358 indirect, and induced effects of the state's investment. The  
1359 analysis by the Office of Program Policy Analysis and Government  
1360 Accountability must also identify any inefficiencies in the



123970

576-02558-15

1361 programs and provide recommendations for changes to the  
1362 programs. Each ~~The~~ office shall submit a report to the President  
1363 of the Senate and the Speaker of the House of Representatives by  
1364 January 15 ~~4~~, 2018. This section expires January 31, 2018.  
1365 Section 17. This act shall take effect July 1, 2015.