

	LEGISLATIVE ACTION	
Senate		House
Comm: RCS		
04/22/2015	•	
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The Committee on Appropriations (Latvala) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

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Section 1. Subsection (8) of section 163.340, Florida Statutes, is amended to read:

163.340 Definitions.—The following terms, wherever used or referred to in this part, have the following meanings:

(8) "Blighted area" means an area in which there are a substantial number of deteriorated, or deteriorating

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structures; r in which conditions, as indicated by governmentmaintained statistics or other studies, endanger life or property or are leading to economic distress; or endanger life or property, and in which two or more of the following factors are present:

- (a) Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities. +
- (b) Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the 5 years prior to the finding of such conditions. +
- (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness. +
  - (d) Unsanitary or unsafe conditions. +
  - (e) Deterioration of site or other improvements. +
  - (f) Inadequate and outdated building density patterns. +
- (g) Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality. +
- (h) Tax or special assessment delinquency exceeding the fair value of the land. +
- (i) Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality. +
- (j) Incidence of crime in the area higher than in the remainder of the county or municipality. +
- (k) Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality. +

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- (1) A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality. +
- (m) Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area.; or
- (n) Governmentally owned property with adverse environmental conditions caused by a public or private entity.
- (o) A substantial number or percentage of properties damaged by sinkhole activity which have not been adequately repaired or stabilized.

However, the term "blighted area" also means any area in which at least one of the factors identified in paragraphs (a) through (o) is <del>(n) are</del> present and all taxing authorities subject to s. 163.387(2)(a) agree, either by interlocal agreement or agreements with the agency or by resolution, that the area is blighted. Such agreement or resolution must be limited to a determination shall only determine that the area is blighted. For purposes of qualifying for the tax credits authorized in chapter 220, "blighted area" means an area as defined in this subsection.

Section 2. Subsection (3) of section 163.524, Florida Statutes, is amended to read:

- 163.524 Neighborhood Preservation and Enhancement Program; participation; creation of Neighborhood Preservation and Enhancement Districts; creation of Neighborhood Councils and Neighborhood Enhancement Plans.-
  - (3) After the boundaries and size of the Neighborhood

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Preservation and Enhancement District have been defined, the local government shall pass an ordinance authorizing the creation of the Neighborhood Preservation and Enhancement District. The ordinance shall contain a finding that the boundaries of the Neighborhood Preservation and Enhancement District comply with meet the provisions of s. 163.340(7) or s.  $163.340(8)(a)-(o) \frac{(8)(a)-(n)}{(a)}$  or do not contain properties that are protected by deed restrictions. Such ordinance may be amended or repealed in the same manner as other local ordinances.

Section 3. Effective October 1, 2015, paragraph (q) of subsection (5) of section 212.08, Florida Statutes, is amended to read:

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

- (5) EXEMPTIONS; ACCOUNT OF USE.-
- (q) Entertainment industry tax credit; authorization; eligibility for credits. - The credits against the state sales tax authorized pursuant to s. 288.1254 shall be deducted from any sales and use tax remitted by the dealer to the department by electronic funds transfer and may only be deducted on a sales and use tax return initiated through electronic data interchange. The dealer shall separately state the credit on the electronic return. The net amount of tax due and payable must be remitted by electronic funds transfer. If the credit for the

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qualified expenditures is larger than the amount owed on the sales and use tax return that is eligible for the credit, the unused amount of the credit may be carried forward to a succeeding reporting period as provided in s. 288.1254(4)(d) s. 288.1254(4)(e). A dealer may only obtain a credit using the method described in this paragraph subparagraph. A dealer is not authorized to obtain a credit by applying for a refund.

Section 4. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

- 212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected .-
- (6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:
- (d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2) (b) shall be distributed as follows:
- 1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.
- 2. After the distribution under subparagraph 1., 8.8854 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department

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shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

- 3. After the distribution under subparagraphs 1. and 2., 0.0956 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.
- 4. After the distributions under subparagraphs 1., 2., and 3., 2.0603 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.
- 5. After the distributions under subparagraphs 1., 2., and 3., 1.3517 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.



6. Of the remaining proceeds:

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a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the thenexisting provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670

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may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).

- c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, \$166,667 shall be distributed monthly, for up to 300 months, to the applicant.
- d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, \$83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be made after certification and before July 1, 2000.
- e. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such

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certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

- f. Beginning 45 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been approved by the Legislature and certified by the Department of Economic Opportunity under s. 288.11625 or upon a date specified by the Department of Economic Opportunity as provided under s. 288.11625(6)(d), the department shall distribute each month an amount equal to one-twelfth of the annual distribution amount certified by the Department of Economic Opportunity for the applicant. The department may not distribute more than \$7 million in the 2014-2015 fiscal year or more than \$13 million annually thereafter under this subsubparagraph.
- 7. All other proceeds must remain in the General Revenue Fund.
- Section 5. Effective October 1, 2015, subsection (3) of section 220.1899, Florida Statutes, is amended to read:
  - 220.1899 Entertainment industry tax credit.-
- (3) To the extent that the amount of a tax credit exceeds the amount due on a return, the balance of the credit may be carried forward to a succeeding taxable year pursuant to s.



243 288.1254(4)(d) s. 288.1254(4)(e).

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Section 6. Paragraph (b) of subsection (1) of section 220.191, Florida Statutes, is amended to read:

220.191 Capital investment tax credit.-

- (1) DEFINITIONS.—For purposes of this section:
- (b) "Cumulative capital investment" means the total capital investment in land, buildings, and equipment made in connection with a qualifying project during the period from the beginning of construction of the project to the commencement of operations. The term does not include any state or local funds, including funds appropriated to public or private entities, used for capital investment.

Section 7. Paragraphs (b) and (e) of subsection (2) of section 288.0001, Florida Statutes, is amended to read:

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

- (2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:
- (b) By January 1, 2015, and every 3 years thereafter, an analysis of the following:
- 1. The entertainment industry financial incentive program established under s. 288.1254.
  - 2. The entertainment industry sales tax exemption program



established under s. 288.1258.

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- 3. VISIT Florida and its programs established or funded under ss. 288.122, 288.1226, 288.12265, and 288.124.
- 4. The Florida Sports Foundation and related programs established under ss. 288.1162, 288.11621, 288.1166, 288.1167, 288.1168, <del>288.1169,</del> and 288.1171.
- (e) Beginning January 1, 2018, and every 3 years thereafter, an analysis of the Sports Development Program established under s. 288.11625 and the retention of Major League Baseball spring training baseball franchises under s. 288.11631.

Section 8. Subsection (1) of section 288.005, Florida Statutes, is amended to read:

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

- (1) "Economic benefits" means the direct, indirect, and induced gains in state revenues as a percentage of the state's investment. The state's investment includes all state funds spent or forgone to benefit the business, including state funds appropriated to public and private entities, state grants, tax exemptions, tax refunds, tax credits, and other state incentives.
- Section 9. Section 288.061, Florida Statutes, is amended to read:
- 288.061 Economic development incentive application process.-
- (1) Beginning January 1, 2016, the department shall prescribe a form upon which an application for an incentive must be made. At a minimum, the incentive application must include all of the following:
  - (a) The applicant's federal employer identification number,

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reemployment assistance account number, and state sales tax registration number. If such numbers are not available at the time of application, they must be submitted to the department in writing before the disbursement of any economic incentive payments or the grant of any tax credits or refunds.

- (b) The applicant's signature.
- (c) The location in this state at which the project is or will be located.
  - (d) The anticipated commencement date of the project.
- (e) A description of the type of business activity, product, or research and development undertaken by the applicant, including the six-digit North American Industry Classification System code for all activities included in the project.
- (f) An attestation verifying that the information provided on the application is true and accurate.

(2) (1) Upon receiving a submitted economic development incentive application, the Division of Strategic Business Development of the department of Economic Opportunity and designated staff of Enterprise Florida, Inc., shall review the application to ensure that the application is complete, whether and what type of state and local permits may be necessary for the applicant's project, whether it is possible to waive such permits, and what state incentives and amounts of such incentives may be available to the applicant. The department shall recommend to the executive director to approve or disapprove an applicant business. If review of the application demonstrates that the application is incomplete, the executive director shall notify the applicant business within the first 5

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business days after receiving the application.

- (3) (2) Beginning July 1, 2013, The department shall review and evaluate each economic development incentive application for the economic benefits of the proposed award of state incentives proposed for the project. The term "economic benefits" has the same meaning as in s. 288.005. The Office of Economic and Demographic Research shall establish the methodology and model used to calculate the economic benefits, including guidelines for the appropriate application of the department's internal model. For purposes of this requirement, an amended definition of the term "economic benefits" may be developed by the Office of Economic and Demographic Research. However, the amended definition must reflect the requirement of s. 288.005 that the state's investment include all state funds spent or forgone to benefit the business, including state funds appropriated to public and private entities but excluding state funds spent for economic development transportation projects under s. 339.2821, to the extent that those funds should reasonably be known to the department at the time of approval. In the department's evaluation of an economic development incentive application, the department may not attribute to the business any capital investment made by the business using state funds. However, the evaluation must account for all capital investment related to the project.
- (4) The department's evaluation of the application must also include all of the following:
- (a) A financial analysis of the company, including information regarding liens and pending or ongoing litigation, credit ratings, and regulatory filings.



- 359 (b) A review of any independent evaluations of the company. 360 (c) A review of the historical market performance of the 361 company. 362 (d) A review of the latest audit of the company's financial 363 statement and the related auditor management letter. 364 (e) A review of any other audits that are related to the 365 internal controls or management of the company. 366 (f) A review of performance in connection with past 367 incentives. 368 (g) Any other review deemed necessary by the department. 369 (5)(a)<del>(3)</del> Except as provided in paragraph (b), within 10 370 business days after the department receives a complete the 371 submitted economic development incentive application, the 372 executive director shall approve or disapprove the application 373 and issue a letter of certification to the applicant which 374 includes a justification of that decision, unless the business 375 requests an extension of that time. For purposes of this paragraph, the term "project" means a project that will receive 376 377 funds under any one of the following programs: 378 1. The Local Government Distressed Area Matching Grant 379 Program established by s. 288.0659. 380 2. The qualified defense contractor and space flight 381 business tax refund program established under s. 288.1045. 382 3. The qualified target industry business tax refund 383 authorized under s. 288.106. 384 4. The brownfield redevelopment bonus refund established under s. 288.<u>107.</u> 385
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complete economic development incentive application for a

(b) Within 10 business days after the department receives a

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project identified in paragraph (d), the executive director shall recommend to the Governor approval or disproval of the application. The recommendation must include a justification for the recommendation and the proposed performance conditions that the project must meet to obtain incentive funds.

- 1. The Governor may approve a project without consulting the Legislature for a project that requires less than \$2 million in funding.
- 2. Except as provided in subparagraph 4., for any project that requires funding in the amount of at least \$2 million and up to \$7.5 million, the Governor shall provide a written description and evaluation of the project to the chair and vice chair of the Legislative Budget Commission at least 10 days before giving final approval for the project. The recommendation must include proposed payment and performance conditions that the project must meet in order to obtain incentive funds and to avoid sanctions. If the chair or vice chair of the Legislative Budget Commission, the President of the Senate, or the Speaker of the House of Representatives advises the Governor, in writing, that his or her planned or proposed action exceeds the delegated authority of the Governor or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action planned or proposed until the Legislative Budget Commission or the Legislature makes a determination on the project.
- 3. Any project that requires funding in the amount of \$7.5 million or greater must be approved by the Legislative Budget Commission before final approval by the Governor.
  - 4. Any project that requires funding in the amount of \$5

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million or greater and that provides a waiver of program requirements must be approved by the Legislative Budget Commission prior to final approval by the Governor.

- 5. Under subparagraphs 3. and 4., the project is deemed approved by the Legislative Budget Commission if a meeting of the Legislative Budget Commission is not held or if the project is not objected to as provided for in this subsection within 30 calendar days after the date the Office of Policy and Budget in the Executive Office of the Governor submits the written description and evaluation of the project and the department's recommendation, including proposed payment and performance conditions, to the chair and vice chair of the Legislative Budget Commission.
- 6. For purposes of this paragraph, the term "project" means a project that will receive funds under any one of the following programs:
- 1. High-impact business performance grants established under s. 288.108.
- 2. The Quick Action Closing Fund established under s. 288.1088.
  - 3. The Innovation Incentive Program created by s. 288.1089.
- (c) Upon approval of a project under paragraph (a) or (b), the department shall issue a letter certifying the applicant as qualified for an award.
- (6) (a) Upon certification, the department and the applicant shall enter into an agreement or contract. The contract or agreement or contract with the applicant must specify the total amount of the award, the performance conditions that must be met to obtain the award, the schedule for payment, and sanctions

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that would apply for failure to meet performance conditions. Any agreement or contract with the applicant must require that the applicant use the workforce information systems implemented under s. 445.011 to advertise job openings created as a result of the state incentive agreement or contract. Any agreement or contract that requires capital investment to be made by the business must also require that such investment remain in this state for the duration of the agreement or contract. The department may enter into one agreement or contract covering all of the state incentives that are being provided to the applicant. The agreement or contract must provide that release of funds is contingent upon sufficient appropriation of funds by the Legislature.

- (b) The duration of an agreement or contract may not exceed 10 years. However, the department may enter into a successive agreement or contract for a specific project to extend the initial 10-year term, provided that each successive agreement or contract is contingent upon the successful completion of the previous agreement or contract. This paragraph does not apply to a project under s. 220.191 or s. 288.1089.
- (c) The release of funds for the incentive or incentives awarded to the applicant depends upon the statutory requirements of the particular incentive program.
- (7) The department shall validate contractor performance and report such validation in the annual incentives report required under s. 288.907.
- $(8)\frac{(5)}{(a)}$  The executive director may not approve an economic development incentive application unless the application includes a signed written declaration by the

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applicant which states that the applicant has read the information in the application and that the information is true, correct, and complete to the best of the applicant's knowledge and belief.

- (b) After an economic development incentive application is approved, the awardee shall provide, in each year that the department is required to validate contractor performance, a signed written declaration. The written declaration must state that the awardee has reviewed the information and that the information is true, correct, and complete to the best of the awardee's knowledge and belief.
- (9) The department shall provide notice, including a written description and evaluation, to the Legislature of any proposed amendment to an agreement or contract that reduces the projected economic benefits calculated at the time the agreement or contract was executed by 0.50 or more or changes any performance conditions or other statutorily required criteria. In order to provide an opportunity for review, at least 3 business days before signing an amendment to an agreement or contract, the department shall provide notice of the proposed change to the chair and vice chair of the Legislative Budget Commission, the President of the Senate, and the Speaker of the House of Representatives. However, a proposed amendment to an agreement or contract is subject to the 10-day notice and objection procedures specified in this section if the proposed amendment reduces the projected economic benefits calculated at the time the agreement or contract was executed to result in an economic benefit ratio below a statutorily required level for receipt of funds or, if already below the statutorily required

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level, by 0.50 or more. Any such amended agreement or contract must also provide for a proportionate reduction in the award amount. If the chair or vice chair of the Legislative Budget Commission, the President of the Senate, or the Speaker of the House of Representatives timely advises the Governor, in writing, that such action or proposed action exceeds the delegated authority of the Governor or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action proposed or taken until the Legislative Budget Commission or the Legislature makes a determination on the project.

- (10) (a) The department is authorized to execute contracts and agreements that obligate the state to make payments from appropriations in the current or a future fiscal year for incentive programs specified in this paragraph. The total amount of actual or projected funds approved for payment by the department based on actual project performance and the schedule of payments for each incentive contract or agreement may not exceed a combined total of \$50 million in any fiscal year for all of the following:
- 1. The Local Government Distressed Area Matching Grant Program established under s. 288.0659.
- 2. The qualified defense contractor and space flight business tax refund program established under s. 288.1045.
- 3. The qualified target industry businesses tax refund program established under s. 288.106.
- 4. The brownfield redevelopment bonus refund program established under s. 288.107.
  - 5. The high-impact business performance grant program



established under s. 288.108.

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- 6. The Quick Action Closing Fund projects established under s. 288.1088, with the exception of those projects with funds held in escrow as of June 30, 2015, which are being paid out of the Quick Action Closing Fund Escrow Account under s. 288.10881.
- 7. The Innovation Incentive Program established under s. 288.1089.
- (b) The funding limitation under paragraph (a) may only be waived by the Legislature in the General Appropriations Act or other legislation.
- (c) The department shall provide notice, including an updated description and evaluation, to the Legislature upon the final execution of each contract or agreement.
- (d) By January 2 of each year, the department shall provide to the Legislature a list of projected payments for the following fiscal year and, by March 1 of each year, the department shall provide to the Legislature a list of claims actually filed for payment in the following fiscal year. The department may not make a scheduled payment under a contract or agreement for a given fiscal year until the department has validated that the applicant has met the performance requirements of the contract or agreement. Any funds appropriated for scheduled payments in a fiscal year which are unexpended by June 30 of that year shall revert in accordance with s. 216.301 and may not be transferred to an escrow account.
- (e) The Legislature shall annually appropriate in the General Appropriations Act an amount estimated to be sufficient to satisfy scheduled payments in the coming fiscal year. If the amount appropriated by the Legislature proves insufficient to

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satisfy the scheduled payments, the department shall pay the unfunded claims from the appropriation for the next fiscal year. By March 1 of each year, the department shall notify the legislative appropriations committees of any such anticipated shortfall for the current fiscal year and of the amount it estimates will be needed to pay claims during the next fiscal year.

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

Section 10. Section 288.095, Florida Statutes, is amended to read:

288.095 Economic Development Trust Fund.-

- (1) The Economic Development Trust Fund is created within the Department of Economic Opportunity. Moneys deposited into the fund must be used only to support the authorized activities and operations of the department. Moneys credited to the trust fund consist of local financial support funds.
- (2) There is created, within the Economic Development Trust Fund, the Economic Development Incentives Account. The Economic Development Incentives Account consists of moneys transferred from local governments as local financial support appropriated to the account for purposes of the tax incentives programs authorized under ss. 288.1045, and 288.106, and 288.107 <del>local</del> financial support provided under ss. 288.1045 and 288.106. Moneys in the Economic Development Incentives Account may be used only to pay tax refunds and make other payments authorized under s. 288.1045, s. 288.106, or s. 288.107, and may only be expended pursuant to legislative appropriation or an approved amendment to the department's operating budget pursuant to

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chapter 216. Notwithstanding s. 216.301, and pursuant to s. 216.351, any balance in the account at the end of a fiscal year remains in the account and is available for carrying out the purposes of the account shall be subject to the provisions of s. 216.301(1)(a).

(3) (a) The department may approve applications for certification pursuant to ss. 288.1045(3) and 288.106. However, the total state share of tax refund payments may not exceed \$35 million.

(b) The total amount of tax refund claims approved for payment by the department based on actual project performance may not exceed the amount appropriated to the Economic Development Incentives Account for such purposes for the fiscal year. Claims for tax refunds under ss. 288.1045 and 288.106 shall be paid in the order the claims are approved by the department. In the event the Legislature does not appropriate an amount sufficient to satisfy the tax refunds under ss. 288.1045 and 288.106 in a fiscal year, the department shall pay the tax refunds from the appropriation for the following fiscal year. By March 1 of each year, the department shall notify the legislative appropriations committees of the Senate and House of Representatives of any anticipated shortfall in the amount of funds needed to satisfy claims for tax refunds from the appropriation for the current fiscal year.

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

(d) The department may adopt rules necessary to carry out the provisions of this subsection, including rules providing for

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the use of moneys in the Economic Development Incentives Account and for the administration of the Economic Development Incentives Account.

Section 11. Paragraph (b) of subsection (1), paragraphs (a), (c), (e), and (f) of subsection (2), paragraphs (e) and (h) of subsection (3), paragraphs (a), (b), (d), and (e) of subsection (5), and subsection (7) of section 288.1045, Florida Statutes, are amended to read:

288.1045 Qualified defense contractor and space flight business tax refund program.-

- (1) DEFINITIONS.—As used in this section:
- (b) "Average private sector wage in the area" means the average of all private sector wages and salaries in the state, the county, or in the standard metropolitan area in which the business unit is located.
  - (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.-
- (a) There shall be allowed, from the Economic Development Trust Fund, a refund to a qualified applicant for the amount of eligible taxes certified by the department which were paid by such qualified applicant. The total amount of refunds for all fiscal years for each qualified applicant shall be determined pursuant to subsection (3). The annual amount of a refund to a qualified applicant shall be determined pursuant to subsection (5).
- (c) Contingent upon an annual appropriation by the Legislature, The department may not approve not more in tax refunds than the amount appropriated to the Economic Development Trust Fund for tax refunds, for a fiscal year than the amount specified in s. 288.061 pursuant to subsection (5) and s.



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- (e) After entering into a tax refund agreement pursuant to subsection (4), a qualified applicant may:
- 1. Receive refunds from the account for corporate income taxes due and paid pursuant to chapter 220 by that business beginning with the first taxable year of the business which begins after entering into the agreement.
- 2. Receive refunds from the account for the following taxes due and paid by that business after entering into the agreement:
- a. Taxes on sales, use, and other transactions paid pursuant to chapter 212.
- b. Intangible personal property taxes paid pursuant to chapter 199.
  - c. Excise taxes paid on documents pursuant to chapter 201.
- d. Ad valorem taxes paid, as defined in s. 220.03(1)(a) on June 1, 1996.
- e. State communications services taxes administered under chapter 202. This provision does not apply to the gross receipts tax imposed under chapter 203 and administered under chapter 202 or the local communications services tax authorized under s. 202.19.

However, a qualified applicant may not receive a tax refund pursuant to this section for any amount of credit, refund, or exemption granted such contractor for any of such taxes. If a refund for such taxes is provided by the department, which taxes are subsequently adjusted by the application of any credit, refund, or exemption granted to the qualified applicant other than that provided in this section, the qualified applicant

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shall reimburse the department Economic Development Trust Fund for the amount of such credit, refund, or exemption. A qualified applicant must notify and tender payment to the department within 20 days after receiving a credit, refund, or exemption, other than that provided in this section.

- (f) Any qualified applicant who fraudulently claims this refund is liable for repayment of the refund to the department Economic Development Trust Fund plus a mandatory penalty of 200 percent of the tax refund which shall be deposited into the General Revenue Fund. Any qualified applicant who fraudulently claims this refund commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY DETERMINATION. -
- (e) To qualify for review by the department, the application of an applicant must, at a minimum, establish the following to the satisfaction of the department:
- 1. The jobs proposed to be provided under the application, pursuant to subparagraph (b) 6., subparagraph (c) 6., or subparagraph (j)6., must pay an estimated annual average wage equaling at least 115 percent of the average private sector wage in the area where the project is to be located.
- 2. The consolidation of a Department of Defense contract must result in a net increase of at least 25 percent in the number of jobs at the applicant's facilities in this state or the addition of at least 80 jobs at the applicant's facilities in this state.
- 3. The conversion of defense production jobs to nondefense production jobs must result in net increases in nondefense

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employment at the applicant's facilities in this state.

- 4. The Department of Defense contract or the space flight business contract cannot allow the business to include the costs of relocation or retooling in its base as allowable costs under a cost-plus, or similar, contract.
- 5. A business unit of the applicant must have derived not less than 60 percent of its gross receipts in this state from Department of Defense contracts or space flight business contracts over the applicant's last fiscal year, and must have derived not less than an average of 60 percent of its gross receipts in this state from Department of Defense contracts or space flight business contracts over the 5 years preceding the date an application is submitted pursuant to this section. This subparagraph does not apply to any application for certification based on a contract for reuse of a defense-related facility.
- 6. The reuse of a defense-related facility must result in the creation of at least 100 jobs at such facility.
- 7. A new space flight business contract or the consolidation of a space flight business contract must result in net increases in space flight business employment at the applicant's facilities in this state.
- (h) The department may not certify any applicant as a qualified applicant when the value of tax refunds to be included in that letter of certification exceeds the available amount of authority to certify a new business in any fiscal year businesses as determined pursuant to s. 288.061(10) in s. 288.095(3). A letter of certification that approves an application must specify the maximum amount of a tax refund that is to be available to the contractor for each fiscal year and



the total amount of tax refunds for all fiscal years.

(5) ANNUAL CLAIM FOR REFUND.

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- (a) To be eligible to claim any scheduled tax refund, qualified applicants who have entered into a written agreement with the department pursuant to subsection (4) and who have entered into a valid new Department of Defense contract, entered into a valid new space flight business contract, commenced the consolidation of a space flight business contract, commenced the consolidation of a Department of Defense contract, commenced the conversion of defense production jobs to nondefense production jobs, or entered into a valid contract for reuse of a defenserelated facility must apply by January 31 of each fiscal year to the department for tax refunds scheduled to be paid from the appropriation for the fiscal year that begins on July 1 following the January 31 claims-submission date. The department may, upon written request, grant up to a 60-day 30-day extension of the filing date. The application must include a notarized signature of an officer of the applicant.
- (b) The department shall verify claim for refund by the qualified applicant must include a copy of all receipts pertaining to the payment of taxes for which a claim for refund is sought, and data related to achieving each performance item contained in the tax refund agreement pursuant to subsection (4). The amount requested as a tax refund may not exceed the amount for the relevant fiscal year in the written agreement entered pursuant to subsection (4).
- (d) The department, with assistance from the Department of Revenue, shall, by June 30 following the scheduled date for submitting the tax refund claim, specify by written order the

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approval or disapproval of the tax refund claim and, if approved, the amount of the tax refund that is authorized to be paid to the qualified applicant for the annual tax refund. The department may grant up to a 60-day an extension of this date upon the request of the qualified applicant for the purpose of filing additional information in support of the claim.

- (e) The total amount of tax refunds approved by the department under this section in any fiscal year may not exceed the amount authorized under s. 288.061(10) s. 288.095(3).
- (7) EXPIRATION.—An applicant may not be certified as qualified under this section after June 30, 2020 <del>2014</del>. A tax refund agreement existing on that date shall continue in effect in accordance with its terms.

Section 12. Paragraphs (c), (k), and (q) of subsection (2), paragraphs (a), (d), (e), and (g) of subsection (3), paragraphs (b) and (e) of subsection (4), and paragraphs (a) and (d) through (q) of subsection (6) of section 288.106, Florida Statutes, are amended to read:

288.106 Tax refund program for qualified target industry businesses.

- (2) DEFINITIONS.—As used in this section:
- (c) "Average private sector wage in the area" means the statewide private sector average wage or the average of all private sector wages and salaries in the county or in the standard metropolitan area in which the business is located.
- (k) "Local financial support exemption option" means the option to exercise an exemption from the local financial support requirement available to an any applicant whose project is located in a brownfield area, a rural city, or a rural

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community. Any applicant that exercises this option is not eligible for more than 80 percent of the total tax refunds allowed such applicant under this section.

- (g) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the department in consultation with Enterprise Florida, Inc.:
- 1. Future growth.—Industry forecasts should indicate strong expectation for future growth in both employment and output, according to the most recent available data. Special consideration should be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.
- 2. Stability.—The industry should not be subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry should also be relatively resistant to recession, so that the demand for products of this industry is not typically subject to decline during an economic downturn.
- 3. High wage.—The industry should pay relatively high wages compared to statewide or area averages.
- 4. Market and resource independent.—The location of industry businesses should not be dependent on Florida markets or resources as indicated by industry analysis, except for businesses in the renewable energy industry.
- 5. Industrial base diversification and strengthening.—The industry should contribute toward expanding or diversifying the



state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration should be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration should also be given to the development of strong industrial clusters that include defense and homeland security businesses.

6. Positive economic impact.—The industry is expected to have strong positive economic impacts on or benefits to the state or regional economies. Special consideration should be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

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The term does not include any business engaged in retail industry activities; any electrical utility company as defined in s. 366.02(2); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business within NAICS code 5611 or 5614, office administrative services and business support services, respectively, or any business within NAICS code 611310 which offers only baccalaureate or higher degree programs that address health care workforce demand may be considered a target industry business only after the local governing body and Enterprise Florida, Inc., make a determination that the community where the business may locate has conditions affecting the fiscal and economic viability of

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the local community or area, including but not limited to, factors such as low per capita income, high unemployment, high underemployment, and a lack of year-round stable employment opportunities, and such conditions may be improved by the location of such a business to the community. By January 1 of every 3rd year, beginning January 1, 2011, the department, in consultation with Enterprise Florida, Inc., economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists, shall review and, as appropriate, revise the list of such target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

- (3) TAX REFUND; ELIGIBLE AMOUNTS.-
- (a) There shall be allowed, from the account, a refund to a qualified target industry business for the amount of eligible taxes certified by the department that were paid by the business. The total amount of refunds for all fiscal years for each qualified target industry business must be determined pursuant to subsection (4). The annual amount of a refund to a qualified target industry business must be determined pursuant to subsection (6).
- (d) After entering into a tax refund agreement under subsection (5), a qualified target industry business may:
- 1. Receive refunds from the account for the following taxes due and paid by that business beginning with the first taxable year of the business that begins after entering into the agreement:
  - a. Corporate income taxes under chapter 220.



b. Insurance premium tax under s. 624.509.

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

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

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b. Intangible personal property taxes under chapter 199.

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c. Excise taxes on documents under chapter 201.

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

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

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(e) However, a qualified target industry business may not receive a refund under this section for any amount of credit, refund, or exemption previously granted to that business for any of the taxes listed in paragraph (d). If a refund for such taxes is provided by the department, which taxes are subsequently adjusted by the application of any credit, refund, or exemption granted to the qualified target industry business other than as provided in this section, the business shall reimburse the department account for the amount of that credit, refund, or exemption. A qualified target industry business shall notify and tender payment to the department within 20 days after receiving any credit, refund, or exemption other than one provided in this

- (q) A qualified target industry business that fraudulently claims a refund under this section:
  - 1. Is liable for repayment of the amount of the refund to

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the department account, plus a mandatory penalty in the amount of 200 percent of the tax refund which shall be deposited into the General Revenue Fund.

- 2. Commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
  - (4) APPLICATION AND APPROVAL PROCESS.-
- (b) To qualify for review by the department, the application of a target industry business must, at a minimum, establish the following to the satisfaction of the department:
- 1.a. The jobs proposed to be created under the application, pursuant to subparagraph (a) 4., must pay an estimated annual average wage equaling at least 115 percent of the average private sector wage in the area where the business is to be located or the statewide private sector average wage. The governing board of the local governmental entity providing the local financial support of the jurisdiction where the qualified target industry business is to be located shall notify the department and Enterprise Florida, Inc., which calculation of the average private sector wage in the area must be used as the basis for the business's wage commitment. In determining the average annual wage, the department shall include only new proposed jobs, and wages for existing jobs shall be excluded from this calculation.
- b. The department may waive the average wage requirement at the request of the local governing body recommending the project and Enterprise Florida, Inc. The department may waive the wage requirement for a project located in a brownfield area designated under s. 376.80, in a rural city, in a rural community, in an enterprise zone, or for a manufacturing project

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

- 2. The target industry business's project must result in the creation of at least 10 jobs at the project and, in the case of an expansion of an existing business, must result in a net increase in employment of at least 10 percent at the business. At the request of the local governing body recommending the project and Enterprise Florida, Inc., the department may waive this requirement for a business in a rural community or enterprise zone if the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a request, the request must be transmitted in writing with an explanation of, and the specific justification for the request must be explained. If the department elects to grant the request, the grant must be stated in writing and explain, and the reason for granting the request must be explained.
  - 3. The business activity or product for the applicant's

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

- (e) The department may not certify any target industry business as a qualified target industry business if the value of tax refunds to be included in that letter of certification exceeds the available amount of authority to certify a new business in any fiscal year businesses as determined pursuant to s. 288.061(10) in s. 288.095(3). However, Except as provided in paragraph (2)(k), if the commitments of local financial support represent less than 20 percent of the eligible tax refund payments, or to otherwise preserve the viability and fiscal integrity of the program, the department may certify a qualified target industry business to receive tax refund payments of less than the allowable amounts specified in paragraph (3)(b). A letter of certification that approves an application must specify the maximum amount of tax refund that will be available to the qualified industry business in each fiscal year and the total amount of tax refunds that will be available to the business for all fiscal years.
  - (6) ANNUAL CLAIM FOR REFUND.-
- (a) To be eligible to claim any scheduled tax refund, a qualified target industry business that has entered into a tax refund agreement with the department under subsection (5) must apply by January 31 of each fiscal year to the department for

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the tax refund scheduled to be paid from the appropriation for the fiscal year that begins on July 1 following the January 31 claims-submission date. The department may, upon written request, grant up to a 60-day 30-day extension of the filing date.

- (d) A tax refund may not be approved for a qualified target industry business unless the required local financial support has been paid into the account for that refund. Except as provided in paragraph (2)(k), if the local financial support provided is less than 20 percent of the approved tax refund, the tax refund must be reduced. In no event may the tax refund exceed an amount that is equal to 5 times the amount of the local financial support received. Further, funding from local sources includes any tax abatement granted to that business under s. 196.1995 or the appraised market value of municipal or county land conveyed or provided at a discount to that business. The amount of any tax refund for such business approved under this section must be reduced by the amount of any such tax abatement granted or the value of the land granted, and the limitations in subsection (3) and paragraph (4)(e) must be reduced by the amount of any such tax abatement or the value of the land granted. A report listing all sources of the local financial support shall be provided to the department when such support is paid to the account.
- (e) A prorated tax refund, less a 5 percent penalty, shall be approved for a qualified target industry business if all other applicable requirements have been satisfied and the business proves to the satisfaction of the department that:
  - 1. It has achieved at least 80 percent of its projected



employment; and

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- 2. The average wage paid by the business is at least 90 percent of that the average wage specified in the tax refund agreement. However, the average wage may not be, but in no case less than 115 percent of the average private sector wage in the area available at the time of certification; or, if the business requested the additional per-job tax refund authorized in paragraph (3)(b) for wages of at least 150 percent of the average private sector wage in the area available at the time of certification, less than 135 percent of the average private sector wage in the area available at the time of certification;  $\tau$ or if the business requested the additional per-job tax refund authorized in paragraph (3)(b) for wages of at least 150 percent or 200 percent of the average private sector wage in the area available at the time of certification, less than 180 percent of the average private sector wage in the area available at the time of certification if the business requested the additional per-job tax refund authorized in paragraph (3) (b) for wages above those levels. The prorated tax refund shall be calculated by multiplying the tax refund amount for which the qualified target industry business would have been eligible, if all applicable requirements had been satisfied, by the percentage of the average employment specified in the tax refund agreement which was achieved, and by the percentage of the average wages specified in the tax refund agreement which was achieved.
- (f) The department, with such assistance as may be required from the Department of Revenue, shall, by June 30 following the scheduled date for submission of the tax refund claim, specify by written order the approval or disapproval of the tax refund

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claim and, if approved, the amount of the tax refund that is authorized to be paid to the qualified target industry business for the annual tax refund. The department may grant up to a 60day an extension of this date on the request of the qualified target industry business for the purpose of filing additional information in support of the claim.

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

Section 13. Paragraph (d) of subsection (1), subsection (2), paragraph (b) of subsection (3), and paragraphs (d), (e), and (i) of subsection (4) of section 288.107, Florida Statutes, are amended to read:

288.107 Brownfield redevelopment bonus refunds.-

- (1) DEFINITIONS.—As used in this section:
- (d) "Eligible business" means:
- 1. A qualified target industry business as defined in s. 288.106(2); or
- 2. A business that can demonstrate that it has made a fixed capital investment of at least \$2 million in mixed-use business activities, including multiunit housing, commercial, retail, and industrial in brownfield areas eligible for bonus refunds, and that provides benefits to its employees.
- (2) BROWNFIELD REDEVELOPMENT BONUS REFUND.—Bonus refunds shall be approved by the department as specified in the final order and allowed from the account as follows:
- (a) A bonus refund of \$2,500 shall be allowed to any qualified target industry business as defined in s. 288.106 for each new Florida job created in a brownfield area eligible for

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bonus refunds which is claimed on the qualified target industry business's annual refund claim authorized in s. 288.106(6).

- (b) A bonus refund of up to \$2,500 shall be allowed to any other eligible business as defined in subparagraph (1)(d)2. for each new Florida job created in a brownfield area eligible for bonus refunds which is claimed under an annual claim procedure similar to the annual refund claim authorized in s. 288.106(6). The amount of the refund shall be equal to 20 percent of the average annual wage for the jobs created.
- (3) CRITERIA.—The minimum criteria for participation in the brownfield redevelopment bonus refund are:
- (b) The completion of a fixed capital investment of at least \$2 million in mixed-use business activities, including multiunit housing, commercial, retail, and industrial in brownfield areas eligible for bonus refunds, by an eligible business applying for a refund under paragraph (2)(b) which provides benefits to its employees. As used in this paragraph, the term "fixed capital investment" does not include state funds used for the capital investment, including state funds appropriated to public and private entities.
  - (4) PAYMENT OF BROWNFIELD REDEVELOPMENT BONUS REFUNDS.-
- (d) After entering into a tax refund agreement as provided in s. 288.106 or other similar agreement for other eligible businesses as defined in paragraph (1)(e), an eligible business may receive brownfield redevelopment bonus refunds from the account pursuant to s. 288.106(3)(d).
- (e) An eligible business that fraudulently claims a refund under this section:
  - 1. Is liable for repayment of the amount of the refund to

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the department account, plus a mandatory penalty in the amount of 200 percent of the tax refund, which shall be deposited into the General Revenue Fund.

- 2. Commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- (i) The total amount of the bonus refunds approved by the department under this section in any fiscal year may must not exceed the total amount specified in s. 288.061(10) appropriated to the Economic Development Incentives Account for this purpose for the fiscal year. In the event that the Legislature does not appropriate an amount sufficient to satisfy projections by the department for brownfield redevelopment bonus refunds under this section in a fiscal year, the department shall, not later than July 15 of such year, determine the proportion of each brownfield redevelopment bonus refund claim which shall be paid by dividing the amount appropriated for tax refunds for the fiscal year by the projected total of brownfield redevelopment bonus refund claims for the fiscal year. The amount of each claim for a brownfield redevelopment bonus tax refund shall be multiplied by the resulting quotient. If, after the payment of all such refund claims, funds remain in the Economic Development Incentives Account for brownfield redevelopment tax refunds, the department shall recalculate the proportion for each refund claim and adjust the amount of each claim accordingly.

Section 14. Subsection (4) of section 288.108, Florida Statutes, is amended to read:

288.108 High-impact business.-

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

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

(b) If the Legislature does not appropriate an amount sufficient to satisfy the qualified high-impact business performance grant payments scheduled for any fiscal year, the department shall, not later than July 15 of that year, determine the proportion of each grant payment which may be paid by dividing the amount appropriated for qualified high-impact business performance grant payments for the fiscal year by the total performance grant payments scheduled in all performance grant agreements for the fiscal year. The amount of each grant scheduled for payment in that fiscal year must be multiplied by the resulting quotient. All businesses affected by this calculation must be notified by August 1 of each fiscal year. If, after the payment of all the refund claims, funds remain in the appropriation for payment of qualified high-impact business performance grants, the department shall recalculate the proportion for each performance grant payment and adjust the amount of each claim accordingly.



1171 Section 15. Subsections (2), (3), and (4) of section 288.1088, Florida Statutes, are amended to read: 1172

288.1088 Quick Action Closing Fund.-

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- (2) There is created within the department the Quick Action Closing Fund. Except as provided in subsection (3), projects eliqible for receipt of funds from the Quick Action Closing Fund must shall:
  - (a) Be in an industry as referenced in s. 288.106.
- (b) Have a positive economic benefit ratio of at least 4 to  $1 + \frac{5 + to + 1}{1}$ .
- (c) Be an inducement to the project's location or expansion in the state.
- (d) Pay an average annual wage of at least 125 percent of the average areawide or statewide private sector average wage in the area. As used in this section, the term "average private sector wage in the area" means statewide private sector average wage or the average of all private sector wages in the county or in the standard metropolitan area in which the project is located as determined by the department.
- (e) Be supported by the local community in which the project is to be located.
- (3) (a) The department and Enterprise Florida, Inc., shall jointly review applications pursuant to s. 288.061 and determine the eligibility of each project consistent with the criteria in subsection (2).
- (b) If the local governing body and Enterprise Florida, Inc., decide to request a waiver of the criteria in subsection (2), the request must be transmitted in writing to the department with an explanation of the specific justification for

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1200 the request. If the department approves the request, the 1201 decision must be stated in writing with an explanation of the 1202 reason for approving the request.

- (c) The department may not waive more than two of the criteria in subsection (2), and a waiver of these criteria may be considered only under the following criteria:
- 1. If the department determines the existence of <del>Based on</del> extraordinary circumstances;
- 2. In order to mitigate the impact of the conclusion of the space shuttle program; or
- 3. In rural areas of opportunity if the project would significantly benefit the local or regional economy.
  - (d) The criteria in subsection (2) may not be waived if:
- 1. The economic benefit ratio would be below 2 to 1, or for a corporate headquarters business as defined in s. 288.106, would be below 1.5 to 1; or
- 2. The average annual wage would be below 100 percent of the average private sector wage in the area.
- (e) The criteria that the incentive be an inducement to the project's location or expansion in this state may not be waived.
- (4) <del>(b)</del> The department shall evaluate individual proposals for high-impact business facilities. Such evaluation must include, but need not be limited to:
- (a) 1. A description of the type of facility or infrastructure, its operations, and the associated product or service associated with the facility.
- (b) 2. The minimum and maximum number of full-timeequivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs or, in the

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case of privately developed rural infrastructure, the types of business activities and jobs stimulated by the investment.

- (c) $\frac{3}{1}$ . The cumulative amount of investment to be dedicated to the facility within a specified period.
- (d)  $4 \cdot$  A statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or regional economy or in the state's universities and community colleges.
- (e)  $\frac{5}{1}$ . A statement of the role the incentive is expected to play in the decision of the applicant business to locate or expand in this state or for the private investor to provide critical rural infrastructure.
- (f) A report evaluating the quality and value of the company submitting a proposal. The report must include:
- 1.a. A financial analysis of the company, including an evaluation of the company's short-term liquidity ratio as measured by its assets to liability, the company's profitability ratio, and the company's long-term solvency as measured by its debt-to-equity ratio;
  - 2.b. The historical market performance of the company;
- 3.c. A review of any independent evaluations of the company;
- 4.d. A review of the latest audit of the company's financial statement and the related auditor's management letter; and
- 5.e. A review of any other types of audits that are related to the internal and management controls of the company.
- (c) 1. Within 7 business days after evaluating a project, the department shall recommend to the Governor approval or

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disapproval of a project for receipt of funds from the Quick Action Closing Fund. In recommending a project, the department shall include proposed performance conditions that the project must meet to obtain incentive funds.

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

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

4. If the chair or vice chair of the Legislative Budget Commission or the President of the Senate or the Speaker of the House of Representatives timely advises the Executive Office of the Governor, in writing, that such action or proposed action exceeds the delegated authority of the Executive Office of the Governor or is contrary to legislative policy or intent, the Executive Office of the Governor shall void the release of funds and instruct the department to immediately change such action or proposed action until the Legislative Budget Commission or the Legislature addresses the issue. Notwithstanding such requirement, any project exceeding \$5 million must be approved by the Legislative Budget Commission prior to the funds being released.

(5) (d) Upon the approval of the Governor, the department and the business shall enter into a contract that sets forth the

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conditions for payment of moneys from the fund. Such payment may not be made to the business until the scheduled goals have been achieved. The contract must include the total amount of funds awarded; the minimum and maximum amount of funds that may be awarded, if applicable; the performance conditions that must be met to obtain the award, including, but not limited to, net new employment in the state, average salary, and total capital investment incurred by the business, and the minimum and maximum number of jobs that will be created, if applicable; demonstrate a baseline of current service and a measure of enhanced capability; the methodology for validating performance; the schedule of payments from the fund; and sanctions for failure to meet performance conditions. The contract must provide that payment of moneys from the fund is contingent upon sufficient appropriation of funds by the Legislature.

- (6) <del>(e)</del> The department shall validate contractor performance and report such validation in the annual incentives report required under s. 288.907.
- (4) Funds appropriated by the Legislature for purposes of implementing this section shall be placed in reserve and may only be released pursuant to the legislative consultation and review requirements set forth in this section.
- Section 16. Section 288.10881, Florida Statutes, is created to read:
  - 288.10881 Quick Action Closing Fund Escrow Account.-
- 1312 (1) There is created within the State Board of 1313 Administration the Quick Action Closing Fund Escrow Account. The 1314 Quick Action Closing Fund Escrow Account shall consist of moneys transferred from Enterprise Florida, Inc., which were held in an 1315

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escrow account on June 30, 2015, for approved Quick Action Closing Fund contracts or agreements.

- (2) Moneys in the Quick Action Closing Fund Escrow Account may be used only for making payments pursuant to contracts or agreements for specified projects authorized under s. 288.1088.
- (3) After an independent third party has verified that an applicant has satisfied all of the requirements of the agreement or contract, and the department has determined that an applicant meets the required project performance criteria and that a payment is due, the State Board of Administration shall transfer the funds for the payment to the department for deposit in the State Economic Enhancement and Development Trust Fund. A continuing appropriation category shall be established to make payments from the Quick Action Closing Fund Escrow Account.
- (4) Any funds in the Quick Action Closing Fund Escrow Account which are encumbered by a contract or agreement that does not meet the requirements or that is terminated must be returned to the department for deposit in the State Economic Enhancement and Development Trust Fund within 10 calendar days after the date the department notifies the State Board of Administration of the encumbrance.
- (5) Funds in the Quick Action Closing Fund Escrow Account shall be managed in accordance with the best investment practices and invested in a manner designed to generate the maximum amount of interest earnings. The funds must be available to make payments pursuant to Quick Action Closing Fund contracts or agreements. The State Board of Administration shall transfer interest earnings on a quarterly basis to the department for deposit in the State Economic Enhancement and Development Trust



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(6) Subject to a specific appropriation, funds transferred from the State Board of Administration under subsections (4) and (5) may be used to fund the marketing activities of Enterprise Florida, Inc.

Section 17. By July 10, 2015, Enterprise Florida, Inc., shall transfer any funds held in an escrow account on June 30, 2015, for approved Quick Action Closing Fund contracts or agreements to the State Board of Administration for deposit in the Quick Action Closing Fund Escrow Account.

Section 18. Paragraph (b) of subsection (2), paragraphs (a) and (d) of subsection (4), subsection (7), and paragraph (b) of subsection (8) of section 288.1089, Florida Statutes, are amended to read:

288.1089 Innovation Incentive Program. -

- (2) As used in this section, the term:
- (b) "Average private sector wage in the area" means the statewide average wage in the private sector or the average of all private sector wages in the county or in the standard metropolitan area in which the project is located as determined by the department.
- (4) To qualify for review by the department, the applicant must, at a minimum, establish the following to the satisfaction of the department:
- (a) The jobs created by the project must pay an estimated annual average wage equaling at least 130 percent of the average private sector wage in the area. The department may waive this average wage requirement at the request of Enterprise Florida, Inc., for a project located in a rural area, a brownfield area,

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or an enterprise zone, when the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. A recommendation for waiver by Enterprise Florida, Inc., must include a specific justification for the waiver and be transmitted to the department in writing. If the department elects to waive the wage requirement, the waiver must be stated in writing and explain and the reasons for granting the waiver must be explained.

- (d) For an alternative and renewable energy project in this state, the project must:
- 1. Demonstrate a plan for significant collaboration with an institution of higher education;
- 2. Provide the state, at a minimum, a cumulative break-even economic benefit within a 20-year period;
- 3. Include matching funds provided by the applicant or other available sources. The match requirement may be reduced or waived in rural areas of opportunity or reduced in rural areas, brownfield areas, and enterprise zones;
  - 4. Be located in this state; and
- 5. Provide at least 35 direct, new jobs that pay an estimated annual average wage that equals at least 130 percent of the average private sector wage in the area.
- (7) Upon receipt of the evaluation and recommendation from the department, the Governor shall approve or deny an award pursuant to s. 288.061. In recommending approval of an award, the department shall include proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that must be met before the receipt of



any incentive funds. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives before giving approval for an award. Upon review and approval of an award by the Legislative Budget Commission, the Executive Office of the Governor shall release the funds.

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- (b) Additionally, agreements signed on or after July 1, 2009, must include the following provisions:
- 1. Notwithstanding subsection (4), a requirement that the jobs created by the recipient of the incentive funds pay an annual average wage at least equal to the relevant industry's annual average wage or at least 130 percent of the average private sector wage in the area, whichever is greater.
- 2. A reinvestment requirement. Each recipient of an award shall reinvest up to 15 percent of net royalty revenues, including revenues from spin-off companies and the revenues from the sale of stock it receives from the licensing or transfer of inventions, methods, processes, and other patentable discoveries conceived or reduced to practice using its facilities in Florida or its Florida-based employees, in whole or in part, and to which the recipient of the grant becomes entitled during the 20 years following the effective date of its agreement with the department. Each recipient of an award also shall reinvest up to 15 percent of the gross revenues it receives from naming opportunities associated with any facility it builds in this state. Reinvestment payments shall commence no later than 6 months after the recipient of the grant has received the final disbursement under the contract and shall continue until the maximum reinvestment, as specified in the contract, has been

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paid. Reinvestment payments shall be remitted to the department for deposit in the Biomedical Research Trust Fund for companies specializing in biomedicine or life sciences, or in the Economic Development Trust Fund for companies specializing in fields other than biomedicine or the life sciences. If these trust funds no longer exist at the time of the reinvestment, the state's share of reinvestment shall be deposited in their successor trust funds as determined by law. Each recipient of an award shall annually submit a schedule of the shares of stock held by it as payment of the royalty required by this paragraph and report on any trades or activity concerning such stock. Each recipient's reinvestment obligations survive the expiration or termination of its agreement with the state.

- 3. Requirements for the establishment of internship programs or other learning opportunities for educators and secondary, postsecondary, graduate, and doctoral students.
- 4. A requirement that the recipient submit quarterly reports and annual reports related to activities and performance to the department, according to standardized reporting periods.
- 5. A requirement for an annual accounting to the department of the expenditure of funds disbursed under this section.
  - 6. A process for amending the agreement.
- Section 19. Subsection (5) is added to section 288.1097, Florida Statutes, to read:
- 288.1097 Qualified job training organizations; certification; duties.-
- (5) Notwithstanding s. 624.4625(1)(b), a qualified job training organization that has been certified is eligible to participate in a self-insurance fund authorized by s. 624.4625

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and is not subject to the requirements of s. 624.4621.

Section 20. Subsection (6) of section 288.1168, Florida Statutes, is amended to read:

288.1168 Professional golf hall of fame facility.-

- (6) Beginning in 2016, the department must annually recertify every 10 years that the facility is open, continues to be the only professional golf hall of fame in the United States recognized by the PGA Tour, Inc., and is meeting the minimum projections for attendance or sales tax revenue as required at the time of original certification.
- (a) For each year  $\frac{1}{1}$  the facility is not certified as meeting the minimum projections, the PGA Tour, Inc., shall increase its required advertising contribution of \$2 million annually to \$3 \$2.5 million annually in lieu of reduction of any funds as provided by s. 212.20. The additional \$1 million \$500,000 must be allocated in its entirety for the use and promotion of generic Florida advertising as determined by the department in consultation with the Florida Tourism Industry Marketing Corporation. The facility must be prominently featured in at least 10 percent, but no more than 25 percent, of such advertising.
- (b) If the facility is not open to the public or is no longer in use as the only professional golf hall of fame in the United States recognized by the PGA Tour, Inc., the facility shall be decertified the entire \$2.5 million for advertising must be used for generic Florida advertising as determined by the department.

Section 21. Section 288.1169, Florida Statutes, is repealed.

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Section 22. Subsection (2) of section 288.1201, Florida Statutes, is amended to read:

288.1201 State Economic Enhancement and Development Trust Fund.-

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

Section 23. Effective October 1, 2015, section 288.125, Florida Statutes, is amended to read:

288.125 Definition of term "entertainment industry."-For the purposes of ss. 288.1254, 288.1256, 288.1258, 288.913, 288.914, and 288.915 ss. 288.1251-288.1258, the term "entertainment industry" means those persons or entities engaged in the operation of motion picture or television studios or recording studios; those persons or entities engaged in the preproduction, production, or postproduction of motion pictures, made-for-television movies, television programming, digital media projects, commercial advertising, music videos, or sound recordings; and those persons or entities providing products or services directly related to the preproduction, production, or postproduction of motion pictures, made-for-television movies, television programming, digital media projects, commercial advertising, music videos, or sound recordings, including, but



not limited to, the broadcast industry.

Section 24. Effective October 1, 2015, section 288.1251, Florida Statutes, is transferred, renumbered as section 288.913, Florida Statutes, and amended to read:

288.913 <del>288.1251</del> Promotion and development of entertainment industry; Division Office of Film and Entertainment; creation; purpose; powers and duties.-

(1) CREATION.-

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(a) The Division of Film and Entertainment is There is hereby created within Enterprise Florida, Inc., the department the Office of Film and Entertainment for the purpose of developing, recruiting, marketing, promoting, and providing services to the state's entertainment industry. The division shall serve as a liaison between the entertainment industry and other state and local governmental agencies, local film commissions, and labor organizations.

(2) (b) COMMISSIONER.—The Governor shall appoint the film and entertainment commissioner, who shall serve at the pleasure of the Governor department shall conduct a national search for a qualified person to fill the position of Commissioner of Film and Entertainment when the position is vacant. The executive director of the department has the responsibility to hire the film commissioner. The commissioner is subject to the requirements of s. 288.901(1)(c). Qualifications for the film commissioner include, but are not limited to, the following:

(a)  $\frac{1}{1}$ . A working knowledge of and experience with the equipment, personnel, financial, and day-to-day production operations of the industries to be served by the division Office of Film and Entertainment;



1548 (b) 2. Marketing and promotion experience related to the 1549 film and entertainment industries to be served; (c) 3. Experience working with a variety of individuals 1550 1551 representing large and small entertainment-related businesses, 1552 industry associations, local community entertainment industry 1553 liaisons, and labor organizations; and 1554 (d)4. Experience working with a variety of state and local 1555 governmental agencies. 1556 (3) (2) POWERS AND DUTIES. 1557 (a) The Division Office of Film and Entertainment, in performance of its duties, shall develop and: 1558 1559 1. In consultation with the Florida Film and Entertainment 1560 Advisory Council, update a 5-year the strategic plan every 5 1561 years to guide the activities of the division Office of Film and 1562 Entertainment in the areas of entertainment industry 1563 development, marketing, promotion, liaison services, field office administration, and information. The plan shall: 1564 1565 a. be annual in construction and ongoing in nature. 1566 1. At a minimum, the plan must address the following: 1567 a.b. Include recommendations relating to The organizational 1568 structure of the division, including any field offices outside 1569 the state office. 1570 b. The coordination of the division with local or regional offices maintained by counties and regions of the state, local 1571 1572 film commissions, and labor organizations, and the coordination 1573 of such entities with each other to facilitate a working 1574 relationship.

entertainment production opportunities for the state, including

c. Strategies to identify, solicit, and recruit

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implementation of programs for rural and urban areas designed to 1577 develop and promote the state's entertainment industry. 1578 1579 d.c. Include An annual budget projection for the division 1580 office for each year of the plan. 1581 d. Include an operational model for the office to use in 1582 implementing programs for rural and urban areas designed to: 1583 (I) develop and promote the state's entertainment industry. 1584 (II) Have the office serve as a liaison between the 1585 entertainment industry and other state and local governmental 1586 agencies, local film commissions, and labor organizations. 1587 (III) Cather statistical information related to the state's 1588 entertainment industry. 1589 e. (IV) Provision of Provide information and service to 1590 businesses, communities, organizations, and individuals engaged 1591 in entertainment industry activities. 1592 (V) Administer field offices outside the state and 1593 coordinate with regional offices maintained by counties and regions of the state, as described in sub-sub-subparagraph (II), 1594 1595 as necessary. 1596 f.e. Include Performance standards and measurable outcomes 1597 for the programs to be implemented by the division office. 1598 2. The plan shall be annually reviewed and approved by the 1599 board of directors of Enterprise Florida, Inc. 1600 f. Include an assessment of, and make recommendations on, 1601 the feasibility of creating an alternative public-private 1602 partnership for the purpose of contracting with such a 1603 partnership for the administration of the state's entertainment 1604 industry promotion, development, marketing, and service

programs.

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- 2. Develop, market, and facilitate a working relationship between state agencies and local governments in cooperation with local film commission offices for out-of-state and indigenous entertainment industry production entities.
- 3. Implement a structured methodology prescribed for coordinating activities of local offices with each other and the commissioner's office.
  - (b) The division shall also:
- 1.4. Represent the state's indigenous entertainment industry to key decisionmakers within the national and international entertainment industry, and to state and local officials.
- 2.5. Prepare an inventory and analysis of the state's entertainment industry, including, but not limited to, information on crew, related businesses, support services, job creation, talent, and economic impact and coordinate with local offices to develop an information tool for common use.
- 3.6. Identify, solicit, and recruit entertainment production opportunities for the state.
- 4.7. Assist rural communities and other small communities in the state in developing the expertise and capacity necessary for such communities to develop, market, promote, and provide services to the state's entertainment industry.
- (c) (b) The division Office of Film and Entertainment, in the performance of its duties, may:
- 1. Conduct or contract for specific promotion and marketing functions, including, but not limited to, production of a statewide directory, production and maintenance of an Internet website, establishment and maintenance of a toll-free telephone

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number, organization of trade show participation, and appropriate cooperative marketing opportunities.

- 2. Conduct its affairs, carry on its operations, establish offices, and exercise the powers granted by this act in any state, territory, district, or possession of the United States.
- 3. Carry out any program of information, special events, or publicity designed to attract entertainment industry to Florida.
- 4. Develop relationships and leverage resources with other public and private organizations or groups in their efforts to publicize to the entertainment industry in this state, other states, and other countries the depth of Florida's entertainment industry talent, crew, production companies, production equipment resources, related businesses, and support services, including the establishment of and expenditure for a program of cooperative advertising with these public and private organizations and groups in accordance with the provisions of chapter 120.
- 5. Provide and arrange for reasonable and necessary promotional items and services for such persons as the division office deems proper in connection with the performance of the promotional and other duties of the division office.
- 6. Prepare an annual economic impact analysis on entertainment industry-related activities in the state.
- 7. Request or accept any grant, payment, or gift of funds or property made by this state, the United States, or any department or agency thereof, or by any individual, firm, corporation, municipality, county, or organization, for any or all of the purposes of the Office of Film and Entertainment's 5year strategic plan or those permitted activities enumerated in

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this paragraph. Such funds shall be deposited in a separate account the Grants and Donations Trust Fund of the Executive Office of the Governor for use by the division Office of Film and Entertainment in carrying out its responsibilities and duties as delineated in law. The division office may expend such funds in accordance with the terms and conditions of any such grant, payment, or gift in the pursuit of its administration or in support of fulfilling its duties and responsibilities. The division office shall separately account for the public funds and the private funds deposited into the account trust fund.

Section 25. Effective October 1, 2015, section 288.1252, Florida Statutes, is transferred, renumbered as section 288.914, Florida Statutes, and amended to read:

- 288.914 <del>288.1252</del> Florida Film and Entertainment Advisory Council; creation; purpose; membership; powers and duties.-
- (1) CREATION. There is created within the department, for administrative purposes only, the Florida Film and Entertainment Advisory Council.
- (1) (2) CREATION AND PURPOSE.—The Florida Film and Entertainment Advisory Council is created purpose of the Council is to serve as an advisory body to the Division of Film and Entertainment within Enterprise Florida, Inc., and department and to the Office of Film and Entertainment to provide these offices with industry insight and expertise related to developing, marketing, and promoting, and providing service to the state's entertainment industry.
  - (2) MEMBERSHIP.
- (a) The council shall consist of 11  $\frac{17}{17}$  members, 5  $\frac{7}{10}$  to be appointed by the Governor, 3 - 5 to be appointed by the President

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of the Senate, and 3  $\frac{5}{}$  to be appointed by the Speaker of the House of Representatives.

- (b) When making appointments to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives shall appoint persons who are residents of the state and who are highly knowledgeable of, active in, and recognized leaders in Florida's motion picture, television, video, sound recording, or other entertainment industries. These persons shall include, but not be limited to, representatives of local film commissions, representatives of entertainment associations, a representative of the broadcast industry, representatives of labor organizations in the entertainment industry, and board chairs, presidents, chief executive officers, chief operating officers, or persons of comparable executive position or stature of leading or otherwise important entertainment industry businesses and offices. Council members shall be appointed in such a manner as to equitably represent the broadest spectrum of the entertainment industry and geographic areas of the state.
- (c) Council members shall serve for 4-year terms. A member of the council serving as of July 1, 2015, may serve the remainder of his or her term, but upon the conclusion of the term or upon vacancy, such appointment may not be filled except to meet the requirements of this section.
- (d) Subsequent appointments shall be made by the official who appointed the council member whose expired term is to be filled.
- (e) A representative of Enterprise Florida, Inc., a representative of Workforce Florida, Inc., and a representative

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of VISIT Florida shall serve as ex officio, nonvoting members of the council, and shall be in addition to the 11  $\frac{17}{17}$  appointed members of the council.

- (f) Absence from three consecutive meetings shall result in automatic removal from the council.
- (g) A vacancy on the council shall be filled for the remainder of the unexpired term by the official who appointed the vacating member.
- (h) No more than one member of the council may be an employee of any one company, organization, or association.
- (i) Any member shall be eligible for reappointment but may not serve more than two consecutive terms.
  - (3)  $\overline{(4)}$  MEETINGS; ORGANIZATION.
- (a) The council shall meet at least no less frequently than once each quarter of the calendar year, and but may meet more often as determined necessary set by the council.
- (b) The council shall annually elect from its appointed membership one member to serve as chair of the council and one member to serve as vice chair. The Division Office of Film and Entertainment shall provide staff assistance to the council, which must shall include, but need not be limited to, keeping records of the proceedings of the council, and serving as custodian of all books, documents, and papers filed with the council.
- (c) A majority of the members of the council constitutes shall constitute a quorum.
- (d) Members of the council shall serve without compensation, but are shall be entitled to reimbursement for per diem and travel expenses in accordance with s. 112.061 while in



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(4) (5) POWERS AND DUTIES.—The Florida Film and Entertainment Advisory Council shall have all the power powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, including, but not limited to, the power to:

- (a) Adopt bylaws for the governance of its affairs and the conduct of its business.
- (b) Advise the Division of Film and Entertainment and consult with the Office of Film and Entertainment on the content, development, and implementation of the division's 5year strategic plan to guide the activities of the office.
- (c) Review the Commissioner of Film and Entertainment's administration of the programs related to the strategic plan, and Advise the Division of Film and Entertainment commissioner on the division's programs and any changes that might be made to better meet the strategic plan.
- (d) Consider and study the needs of the entertainment industry for the purpose of advising the Division of Film and Entertainment film commissioner and the department.
- (e) Identify and make recommendations on state agency and local government actions that may have an impact on the entertainment industry or that may appear to industry representatives as an official state or local actions action affecting production in the state, and advise the Division of Film and Entertainment of such actions.
- (f) Consider all matters submitted to it by the Division of Film and Entertainment film commissioner and the department.
  - (g) Advise and consult with the film commissioner and the

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department, at their request or upon its own initiative, regarding the promulgation, administration, and enforcement of all laws and rules relating to the entertainment industry.

(q) (h) Suggest policies and practices for the conduct of business by the Office of Film and Entertainment or by the department that will improve interaction with internal operations affecting the entertainment industry and will enhance related state the economic development initiatives of the state for the industry.

(i) Appear on its own behalf before boards, commissions, departments, or other agencies of municipal, county, or state government, or the Federal Government.

Section 26. Effective October 1, 2015, section 288.1253, Florida Statutes, is transferred, renumbered as section 288.915, Florida Statutes, and amended to read:

288.915 <del>288.1253</del> Travel and entertainment expenses.-

- (1) As used in this section, the term "travel expenses" means the actual, necessary, and reasonable costs of transportation, meals, lodging, and incidental expenses normally incurred by an employee of the Division Office of Film and Entertainment within Enterprise Florida, Inc., as which costs are defined and prescribed by rules adopted by the department rule, subject to approval by the Chief Financial Officer.
- (2) Notwithstanding the provisions of s. 112.061, the department shall adopt rules by which the Division of Film and Entertainment it may make expenditures by reimbursement to: the Governor, the Lieutenant Governor, security staff of the Governor or Lieutenant Governor, the Commissioner of Film and Entertainment, or staff of the Division Office of Film and

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Entertainment for travel expenses or entertainment expenses incurred by such individuals solely and exclusively in connection with the performance of the statutory duties of the division Office of Film and Entertainment. The rules are subject to approval by the Chief Financial Officer before adoption. The rules shall require the submission of paid receipts, or other proof of expenditure prescribed by the Chief Financial Officer, with any claim for reimbursement.

- (3) The Division Office of Film and Entertainment shall include in the annual report for the entertainment industry financial incentive program required under s. 288.1254(10) a report of the division's office's expenditures for the previous fiscal year. The report must consist of a summary of all travel, entertainment, and incidental expenses incurred within the United States and all travel, entertainment, and incidental expenses incurred outside the United States, as well as a summary of all successful projects that developed from such travel.
- (4) The Division Office of Film and Entertainment and its employees and representatives, when authorized, may accept and use complimentary travel, accommodations, meeting space, meals, equipment, transportation, and any other goods or services necessary for or beneficial to the performance of the division's office's duties and purposes, so long as such acceptance or use is not in conflict with part III of chapter 112. The department shall, by rule, develop internal controls to ensure that such goods or services accepted or used pursuant to this subsection are limited to those that will assist solely and exclusively in the furtherance of the division's office's goals and are in

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compliance with part III of chapter 112. Notwithstanding this subsection, the division and its employees and representatives may not accept any complimentary travel, accommodations, meeting space, meals, equipment, transportation, or any other goods or services from an entity or party, including an employee, designee, or representative of such entity or party, which has received, has applied to receive, or anticipates that it will receive through an application, funds under s. 288.1256. If the division or its employee or representative accepts such goods or services, the division or its employee or representative is subject to the penalties provided in s. 112.317.

(5) Any claim submitted under this section is not required to be sworn to before a notary public or other officer authorized to administer oaths, but any claim authorized or required to be made under any provision of this section shall contain a statement that the expenses were actually incurred as necessary travel or entertainment expenses in the performance of official duties of the Division Office of Film and Entertainment and shall be verified by written declaration that it is true and correct as to every material matter. Any person who willfully makes and subscribes to any claim that which he or she does not believe to be true and correct as to every material matter or who willfully aids or assists in, procures, or counsels or advises with respect to, the preparation or presentation of a claim pursuant to this section which that is fraudulent or false as to any material matter, whether such falsity or fraud is with the knowledge or consent of the person authorized or required to present the claim, commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. Whoever

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receives a reimbursement by means of a false claim is civilly liable, in the amount of the overpayment, for the reimbursement of the public fund from which the claim was paid.

Section 27. Effective October 1, 2015, section 288.1254, Florida Statutes, is amended to read:

288.1254 Entertainment industry financial incentive program.-

- (1) DEFINITIONS.—As used in this section, the term:
- (a) "Certified production" means a qualified production that has tax credits allocated to it by the department based on the production's estimated qualified expenditures, up to the production's maximum certified amount of tax credits, by the department. The term does not include a production if its first day of principal photography or project start date in this state occurs before the production is certified by the department, unless the production spans more than 1 fiscal year, was a certified production on its first day of principal photography or project start date in this state, and submits an application for continuing the same production for the subsequent fiscal year.
- (b) "Digital media project" means a production of interactive entertainment that is produced for distribution in commercial or educational markets. The term includes a video game or production intended for Internet or wireless distribution, an interactive website, digital animation, and visual effects, including, but not limited to, three-dimensional movie productions and movie conversions. The term does not include a production that contains content that is obscene as defined in s. 847.001.

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- (c) "Family-friendly production" means a production that has cross-generational appeal; is considered suitable for viewing by children age 5 or older; is appropriate in theme, content, and language for a broad family audience; embodies a responsible resolution of issues; and does not exhibit or imply any act of smoking, sex, nudity, or vulgar or profane language "High-impact digital media project" means a digital media project that has qualified expenditures greater than \$4.5 million.
  - (d) "High-impact television production series" means:
- 1. A production created to run multiple production seasons which has and having an estimated order of at least seven episodes per season and qualified expenditures of at least \$1 million \$625,000 per episode; or
- 2. A telenovela that has qualified expenditures of more than \$6 million; a minimum of 45 principal photography days filmed in this state; a production cast, including background actors, and a crew of which at least 90 percent are legal residents of this state; and at least 90 percent of its production occurring in this state.
- (e) "Off-season certified production" means a feature film, independent film, or television series or pilot that films 75 percent or more of its principal photography days from June 1 through November 30.
- (f) "Principal photography" means the filming of major or significant components of the qualified production which involve lead actors.
- (f) <del>(g)</del> "Production" means a theatrical, <del>or</del> direct-to-video, or direct-to-Internet motion picture; a made-for-television

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motion picture; visual effects or digital animation sequences produced in conjunction with a motion picture; a commercial; a music video; an industrial or educational film; an infomercial; a documentary film; a television pilot program; a presentation for a television pilot program; a television series, including, but not limited to, a drama, a reality show, a comedy, a soap opera, a telenovela, a game show, an awards show, or a miniseries production; a direct-to-Internet television series; or a digital media project by the entertainment industry. One season of a television series is considered one production. The term does not include a weather or market program; a sporting event or a sporting event broadcast; a gala; a production that solicits funds; a home shopping program; a political program; a political documentary; political advertising; a gambling-related project or production; a concert production; a local, regional, or Internet-distributed-only news show or current-events show; a sports news or sports recap show; a pornographic production; or any production deemed obscene under chapter 847. A production may be produced on or by film, tape, or otherwise by means of a motion picture camera; electronic camera or device; tape device; computer; any combination of the foregoing; or any other means, method, or device.

(g) (h) "Production expenditures" means the costs of tangible and intangible property used for, and services performed primarily and customarily in, production, including preproduction and postproduction, but excluding costs for development, marketing, and distribution. The term includes, but is not limited to:

1. Wages, salaries, or other compensation paid to legal

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residents of this state, including amounts paid through payroll service companies, for technical and production crews, directors, producers, and performers.

- 2. Net expenditures for sound stages, backlots, production editing, digital effects, sound recordings, sets, and set construction.
- 3. Net expenditures for rental equipment, including, but not limited to, cameras and grip or electrical equipment.
- 4. Up to \$300,000 of the costs of newly purchased computer software and hardware unique to the project, including servers, data processing, and visualization technologies, which are located in and used exclusively in this the state for the production of digital media.
- 5. Expenditures for meals, travel, and accommodations. For purposes of this paragraph, the term "net expenditures" means the actual amount of money a qualified production spent for equipment or other tangible personal property, after subtracting any consideration received for reselling or transferring the item after the qualified production ends, if applicable.
- (h) (i) "Qualified expenditures" means production expenditures incurred in this state by a qualified production for:
- 1. Goods purchased or leased from, or services, including, but not limited to, insurance costs and bonding, payroll services, and legal fees, which are provided by, a vendor or supplier in this state that is registered with the Department of State or the Department of Revenue, has a physical location in this state, and employs one or more legal residents of this state. This does not include rebilled goods or services provided



by an in-state company from out-of-state vendors or suppliers. When services provided by the vendor or supplier include personal services or labor, only personal services or labor provided by residents of this state, evidenced by the required documentation of residency in this state, qualify.

2. Payments to legal residents of this state in the form of salary, wages, or other compensation up to a maximum of \$400,000 per resident unless otherwise specified in subsection (4). A completed declaration of residency in this state must accompany the documentation submitted to the department office for reimbursement.

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For a qualified production involving an event, such as an awards show, the term does not include expenditures solely associated with the event itself and not directly required by the production. The term does not include expenditures incurred before certification, with the exception of those incurred for a commercial, a music video, or the pickup of additional episodes of a high-impact television production series within a single season. Under no circumstances may The qualified production may not include in the calculation for qualified expenditures the original purchase price for equipment or other tangible property that is later sold or transferred by the qualified production for consideration. In such cases, the qualified expenditure is the net of the original purchase price minus the consideration received upon sale or transfer.

(i) (j) "Qualified production" means a production in this state meeting the requirements of this section. The term does not include a production:

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- 1. In which, for the first 2 years of the incentive program, less than 50 percent, and thereafter, less than 60  $percent_{T}$  of the positions that make up its production cast and below-the-line production crew, or, in the case of digital media projects, less than 75 percent of such positions, are filled by legal residents of this state, whose residency is demonstrated by a valid Florida driver license or other state-issued identification confirming residency, or students enrolled fulltime in an entertainment-related a film-and-entertainmentrelated course of study at an institution of higher education in this state; or
- 2. That contains obscene content as defined in s. 847.001(10).
- (j) (k) "Qualified production company" means a corporation, limited liability company, partnership, or other legal entity engaged in one or more productions in this state.
- (1) "Qualified digital media production facility" means a building or series of buildings and their improvements in which data processing, visualization, and sound synchronization technologies are regularly applied for the production of qualified digital media projects or the digital animation components of qualified productions.
- (m) "Qualified production facility" means a building or complex of buildings and their improvements and associated backlot facilities in which regular filming activity for film or television has occurred for a period of no less than 1 year and which contain at least one sound stage of at least 7,800 square feet.
  - (n) "Regional population ratio" means the ratio of the

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population of a region to the population of this state. The regional population ratio applicable to a given fiscal year is the regional population ratio calculated by the Office of Film and Entertainment using the latest official estimates of population certified under s. 186.901, available on the first day of that fiscal year.

(o) "Regional tax credit ratio" means a ratio the numerator of which is the sum of tax credits awarded to productions in a region to date plus the tax credits certified, but not yet awarded, to productions currently in that region and the denominator of which is the sum of all tax credits awarded in the state to date plus all tax credits certified, but not yet awarded, to productions currently in the state. The regional tax credit ratio applicable to a given year is the regional tax credit ratio calculated by the Office of Film and Entertainment using credit award and certification information available on the first day of that fiscal year.

(p) "Underutilized region" for a given state fiscal year means a region with a regional tax credit ratio applicable to that fiscal year that is lower than its regional population ratio applicable to that fiscal year. The following regions are established for purposes of making this determination:

1. North Region, consisting of Alachua, Baker, Bay, Bradford, Calhoun, Clay, Columbia, Dixie, Duval, Escambia, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Holmes, Jackson, Jefferson, Lafayette, Leon, Levy, Liberty, Madison, Nassau, Okaloosa, Putnam, Santa Rosa, St. Johns, Suwannee, Taylor, Union, Wakulla, Walton, and Washington Counties.

2. Central East Region, consisting of Brevard, Flagler,

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Indian River, Lake, Okeechobee, Orange, Osceola, Seminole, St. Lucie, and Volusia Counties.

- 3. Central West Region, consisting of Citrus, Hernando, Hillsborough, Manatee, Marion, Polk, Pasco, Pinellas, Sarasota, and Sumter Counties.
- 4. Southwest Region, consisting of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.
- 5. Southeast Region, consisting of Broward, Martin, Miami-Dade, Monroe, and Palm Beach Counties.
- (k) (g) "Interactive website" means a website or group of websites that includes interactive and downloadable content, and creates 25 new Florida full-time equivalent positions operating from a principal place of business located within Florida. An interactive website or group of websites must provide documentation that those jobs were created to the department before Office of Film and Entertainment prior to the award of tax credits. Each subsequent program application must provide proof that 25 Florida full-time equivalent positions are maintained.
- (1) "Underutilized county" means a county in which less than \$500,000 in qualified expenditures were made in the last 2 fiscal years.
- (2) CREATION AND PURPOSE OF PROGRAM.—The entertainment industry financial incentive program is created within the department Office of Film and Entertainment. The purpose of this program is to encourage the use of this state as a site for entertainment production, for filming, and for the digital production of entertainment films, and to develop and sustain the workforce and infrastructure for film, digital media, and



entertainment production.

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- (3) APPLICATION PROCEDURE; APPROVAL PROCESS.-
- (a) Program application.—A qualified production company producing a qualified production in this state may submit a program application to the Division Office of Film and Entertainment for the purpose of determining qualification for an award of tax credits authorized by this section no earlier than 180 days before the first day of principal photography or project start date in this state. The applicant shall provide the division Office of Film and Entertainment with information required to determine whether the production is a qualified production and to determine the qualified expenditures and other information necessary for the division and the department office to determine eligibility for the tax credit.
- (b) Required documentation.—The department, in consultation with the division, Office of Film and Entertainment shall develop an application form for qualifying an applicant as a qualified production. The form must include, but need not be limited to, production-related information concerning employment of residents in this state  $\underline{i}_{\mathcal{T}}$  a detailed budget of planned qualified expenditures and aggregate nonqualified expenditures, including capital investment, in this state; proof of financing for the production;  $\tau$  and the applicant's signed affirmation that the information on the form has been verified and is correct. The division Office of Film and Entertainment and local film commissions shall distribute the form.
- (c) Application process.—The division Office of Film and Entertainment shall establish a process by which an application is accepted and reviewed and by which tax credit eligibility and



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- 1. The division shall review, evaluate, and rank applications for each queue, as provided in subsection (4), using the following evaluation criteria, with priority given in descending order, with the highest priority given to subsubparagraph a.:
- a. The number of state residents that will be employed in full-time equivalent and part-time positions related to the project, and the duration of such employment and the average wages paid to such residents. Preference shall be given to a project that expects to pay higher than the statewide average wage.
- b. The amount of qualified and nonqualified expenditures that will be made in this state.
- c. The duration of the project in this state, including whether production will occur in an underutilized county.
- d. The length of time for planned preproduction and postproduction scheduled to occur in this state.
- e. The amount of capital investment, especially fixed capital investment, to be made directly by the production company in this state related to the project and the amount of any other capital investment to be made in this state related to the project.
- f. The local support and amount of any financial commitment for the project.
- 2. The Division of Film and Entertainment shall designate two application cycles per fiscal year for qualified production companies to submit applications pursuant to this section. Each application cycle must consist of an application submittal

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deadline and a subsequent review period. The two application deadlines shall be separated in time by at least 4 months. The first application cycle must be "Application Cycle A," and the second application cycle must be "Application Cycle B." Each applicant must designate the cycle for which the applicant is applying.

- 3. The Division of Film and Entertainment shall designate the length of the review period for each application cycle which must immediately follow its corresponding application deadline. The review cycle may not exceed 30 days. During each review period, the Division of Film and Entertainment shall:
- a. Review each timely received application to ensure that the application is complete and shall label each application according to its queue as specified in subsection (4).
- b. Recommend rankings for applications pursuant to the criteria in subparagraph 1.
- c. Submit each complete and timely received application along with the recommended application rankings to the department no later than 1 day after the end of the review cycle. Applications that do not meet the requirements of this section may not be ranked.
- 4. Applications that are not timely received or complete may not be carried forward to a subsequent application cycle.
- 5. A certified high-impact television production may submit an initial application for no more than two successive seasons, notwithstanding the fact that the second season has not been ordered. The qualified expenditure amounts for the second season shall be based on the current season's estimated qualified expenditures. Upon the completion of production of each season,

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a high-impact television production may submit an application for only one additional season. To be certified for a tax credit, the applicant must agree to notify the department within 10 days if the additional season is not ordered or is canceled. The Office of Film and Entertainment may request assistance from a duly appointed local film commission in determining compliance with this section. A certified high-impact television series may submit an initial application for no more than two successive seasons, notwithstanding the fact that the successive seasons have not been ordered. The successive season's qualified expenditure amounts shall be based on the current season's estimated qualified expenditures. Upon the completion of production of each season, a high-impact television series may submit an application for no more than one additional season.

(d) Certification.

1. The department Office of Film and Entertainment shall review the applications and recommendations by the division application within 15 business days after receipt from the division. Upon its determination that The department shall determine if each application contains all the information required by this subsection and meets the criteria set out in this section. Going from the highest-ranked and recommended application to the lowest-ranked application, the department, the Office of Film and Entertainment shall determine, for each application, whether to certify qualify the applicant and recommend to the department that the applicant be certified for the maximum tax credit award amount. Within 5 business days after receipt of the recommendation, the department shall reject the recommendation or certify the maximum recommended tax credit

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award, if any funds are available, to the applicant and to the executive director of the Department of Revenue; or to reject the request for the tax credit pursuant to paragraph (f).

- 2. The department may certify only up to 50 percent of the credits available in a fiscal year for "Application Cycle A" of the fiscal year. All remaining tax credits in the fiscal year may be certified in "Application Cycle B." The department may not certify tax credits in an amount greater than the allocation for a specified fiscal year, as determined under subsection (7).
- (e) Employment. Upon certification by the department, the production must provide the department and the Division of Film and Entertainment with a single point of contact and information related to the production's needs for cast, crew, contractors, and vendors. The division shall publish this information online, including the type of production, the projected start date of the production, the locations in this state for such production, and the e-mail or other contact information for the production's point of contact. The department, in consultation with the division, may adopt procedures for a production to post such information itself within 7 days after certification.

(f) (e) Grounds for denial.—The department Office of Film and Entertainment shall deny an application if it determines that the application is not complete, or the production or application does not meet the requirements of this section, or the application is not ranked by the division. Within 90 days after submitting a program application, except with respect to applications in the independent and emerging media queue, a production must provide proof of project financing to the Office of Film and Entertainment, otherwise the project is deemed

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denied and withdrawn. A project that has been denied withdrawn may submit a new application in a subsequent application cycle upon providing the Office of Film and Entertainment proof of financing.

(g) (f) Verification of actual qualified expenditures.

- 1. The department, in consultation with the Division Office of Film and Entertainment, shall develop a process to verify the actual qualified expenditures of a certified production. The process must require:
- a. A certified production to submit, within 180 days in a timely manner after production ends in this state and after making all of its qualified expenditures in this state, data substantiating each qualified expenditure, including documentation of <del>on</del> the net expenditure on equipment and other tangible personal property by the qualified production and all production-related information on full- and part-time employment and wages paid to residents of this state, to an independent certified public accountant licensed in this state;
- b. Such accountant to conduct a compliance audit, at the certified production's expense, to substantiate each qualified expenditure and submit the results as a report, along with the required substantiating data, to the department Office of Film and Entertainment; and
- c. The department Office of Film and Entertainment to review the accountant's submittal and verify report to the department the final verified amount of actual qualified expenditures made by the certified production.
- 2. The department shall also require a certified production to submit data substantiating aggregate nonqualified

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expenditures, including capital investment, in this state.

3.2. The department shall determine and approve the final tax credit award amount to each certified applicant based on the final verified amount of actual qualified expenditures and evidence that the qualified production met the requirements of this section. The department shall notify the executive director of the Department of Revenue in writing that the certified production has met the requirements of the incentive program and of the final amount of the tax credit award. The final tax credit award amount may not exceed the maximum tax credit award amount certified under paragraph (d).

(h) (g) Promoting Florida. - The department Office of Film and Entertainment shall ensure that, as a condition of receiving a tax credit under this section, marketing materials promoting this state as a tourist destination or film and entertainment production destination are included, when appropriate, at no cost to the state, in the qualified production or as otherwise required by the department and the Division of Film and Entertainment. The Division of Film and Entertainment shall provide the Florida Tourism Industry Marketing Corporation with the contact information for each qualified production in order for the corporation to work with the qualified production to develop the marketing materials promoting this state. The marketing materials which must, at a minimum, include placement of the "Visit Florida" logo and a "Filmed in Florida" or "Produced in Florida" logo in the end credits. The placement of the "Visit Florida" logo and a "Filmed in Florida" or "Produced in Florida" logo on all packaging material and hard media is also required, unless such placement is prohibited by licensing



2302 or other contractual obligations. The sizes size and placements 2303 placement of such logos logo shall be commensurate to other 2304 logos used. If no logos are used, the statement "Filmed in 2305 Florida using Florida's Entertainment Industry Program Financial 2306 Incentive," or a similar statement approved by the Division Office of Film and Entertainment, shall be used. The Division 2307 Office of Film and Entertainment shall provide a logo and supply 2308 2309 it for the purposes specified in this paragraph. A 30-second 2310 "Visit Florida" promotional video must also be included on all 2311 optical disc formats of a film, unless such placement is 2312 prohibited by licensing or other contractual obligations. The 2313 30-second promotional video shall be approved and provided by 2314 the Florida Tourism Industry Marketing Corporation in 2315 consultation with the Division Commissioner of Film and 2316 Entertainment. The marketing materials must also include a link 2317 to the Florida Tourism Industry Marketing Corporation website or 2318 another website designated by the department on the certified applicant's website or the production's website for the entire 2319 2320 term of the production. If the certified applicant cannot 2321 provide such link, it must provide a promotional opportunity of 2322 equal or greater value as approved by the department and the 2323 division.

- (4) TAX CREDIT ELIGIBILITY; TAX CREDIT AWARDS; QUEUES; ELECTION AND DISTRIBUTION; CARRYFORWARD; CONSOLIDATED RETURNS; PARTNERSHIP AND NONCORPORATE DISTRIBUTIONS; MERGERS AND ACOUISITIONS.-
- (a) Priority for tax credit award.-The priority of a qualified production for tax credit awards must be determined on a first-come, first-served basis within its appropriate queue.

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Each qualified production must be placed into the appropriate queue and is subject to the requirements of that queue.

- (b) Tax credit eligibility.—Each qualified production must be placed into the appropriate queue and is subject to the requirements of that queue.
- 1. General production queue.—Ninety-four percent of tax credits authorized pursuant to subsection (7)  $\frac{(6)}{(6)}$  in any state fiscal year must be dedicated to the general production queue. The general production queue consists of all qualified productions other than those eligible for the commercial and music video queue or the independent and emerging media production queue. A qualified production that demonstrates a minimum of \$625,000 in qualified expenditures is eligible for tax credits equal to 20 percent of its actual qualified expenditures, up to a maximum of \$8 million. A qualified production that incurs qualified expenditures during multiple state fiscal years may combine those expenditures to satisfy the \$625,000 minimum threshold.
- a. An off-season certified production that is a feature film, independent film, or television series or pilot is eligible for an additional 5 percent tax credit on actual qualified expenditures. An off-season certified production that does not complete 75 percent of principal photography due to a disruption caused by a hurricane or tropical storm may not be disqualified from eligibility for the additional 5 percent credit as a result of the disruption.
- b. If more than 45 percent of the sum of total tax credits initially certified and awarded after April 1, 2012, total tax credits initially certified after April 1, 2012, but not yet

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awarded, and total tax credits available for certification after April 1, 2012, but not yet certified has been awarded for highimpact television series, then no high-impact television series is eligible for tax credits under this subparagraph. Tax credits initially certified for a high-impact television series after April 1, 2012, may not be awarded if the award will cause the percentage threshold in this sub-subparagraph to be exceeded. This sub-subparagraph does not prohibit the award of tax credits certified before April 1, 2012, for high-impact television series.

c. Subject to sub-subparagraph b., First priority in the queue for tax credit awards not yet certified shall be given to high-impact television series and high-impact digital media projects. For the purposes of determining priority between a high-impact television series and a high-impact digital media project, the first position must go to the first application received. Thereafter, priority shall be determined by alternating between a high-impact television series and a highimpact digital media project on a first-come, first-served basis. However, if the Office of Film and Entertainment receives an application for a high-impact television series or highimpact digital media project that would be certified but for the alternating priority, the office may certify the project as being in the priority position if an application that would normally be the priority position is not received within 5 business days.

d. A qualified production for which at least 70 67 percent of its principal photography days occur within a county region designated as an underutilized county region at the time that

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the production is certified is eligible for an additional 5 percent tax credit.

b.e. A qualified production that employs students enrolled full-time in a film and entertainment-related or digital mediarelated course of study at an institution of higher education in this state, individuals participating in the Road-to-Independence Program under s. 409.1451, individuals with developmental disabilities as defined in s. 393.063 residing in this state, and veterans residing in this state, is eligible for an additional 15 percent tax credit on qualified expenditures that are wages, salaries, or other compensation paid to such students. The additional 15 percent tax credit is also applicable to persons hired within 12 months after graduating from a film and entertainment-related or digital media-related course of study at an institution of higher education in this state. The additional 15 percent tax credit applies to qualified expenditures that are wages, salaries, or other compensation paid to such recent graduates for 1 year after the date of hiring.

f. A qualified production for which 50 percent or more of its principal photography occurs at a qualified production facility, or a qualified digital media project or the digital animation component of a qualified production for which 50 percent or more of the project's or component's qualified expenditures are related to a qualified digital media production facility, is eligible for an additional 5 percent tax credit on actual qualified expenditures for production activity at that facility.

c. A qualified production that completes a capital

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investment in this state of at least \$2 million for property improvements before the completion of the qualified production, is eligible for an additional 5 percent tax credit. The capital investment must be permanent and must be made after July 1, 2015, and the property must remain in this state after the production ends. A capital investment may be the basis of an application only once, unless the qualified production makes an additional \$2 million of substantial changes to the property.

d. A qualified production determined by the department to be a family-friendly production, based on review of the script and review of the final release version, is eligible for an additional 5 percent tax credit. The department must consult with the Division of Film and Entertainment in making this determination.

e.g. A qualified production is not eligible for tax credits provided under this paragraph totaling more than 25 30 percent of its actual qualified expenses.

2. Commercial and music video queue. - Three percent of tax credits authorized pursuant to subsection (7)  $\frac{(6)}{(6)}$  in any state fiscal year must be dedicated to the commercial and music video queue. A qualified production company that produces national or regional commercials or music videos may be eligible for a tax credit award if it demonstrates a minimum of \$100,000 in qualified expenditures per national or regional commercial or music video and exceeds a combined threshold of \$500,000 after combining actual qualified expenditures from qualified commercials and music videos during a single state fiscal year. After a qualified production company that produces commercials, music videos, or both reaches the threshold of \$500,000, it is

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eligible to apply for certification for a tax credit award. The maximum credit award for a qualified production company that produces commercials shall be equal to 20 percent of its actual qualified expenditures up to a maximum of \$500,000. A qualified production company that produces music videos may be eligible for a tax credit if it demonstrates a minimum of \$25,000 in qualified expenditures per music video and exceeds a combined threshold of \$125,000 after combining actual qualified expenditures from qualified music videos during a single state fiscal year. After a qualified production company that produces music videos reaches the threshold of \$125,000, it is eligible to apply for certification for a tax credit award. The maximum credit award for a qualified production company that produces music videos shall be equal to 20 percent of its actual qualified expenditures up to a maximum of \$125,000. If there is a surplus at the end of a fiscal year after the department Office of Film and Entertainment certifies and determines the tax credits for all qualified commercial and video projects, such surplus tax credits shall be carried forward to the following fiscal year and are available to any eligible qualified productions under the general production queue.

3. Independent and emerging media production queue.-Three percent of tax credits authorized pursuant to subsection (7) (6) in any state fiscal year must be dedicated to the independent and emerging media production queue. This queue is intended to encourage independent film and emerging media production in this state. Any qualified production, excluding commercials, infomercials, or music videos, which demonstrates at least \$100,000, but not more than \$625,000, in total qualified

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expenditures is eligible for tax credits equal to 20 percent of its actual qualified expenditures. If a surplus exists at the end of a fiscal year after the department Office of Film and Entertainment certifies and determines the tax credits for all qualified independent and emerging media production projects, such surplus tax credits shall be carried forward to the following fiscal year and are available to any eligible qualified productions under the general production queue.

4. Family-friendly productions.—A certified theatrical or direct-to-video motion picture production or video game determined by the Commissioner of Film and Entertainment, with the advice of the Florida Film and Entertainment Advisory Council, to be family-friendly, based on review of the script and review of the final release version, is eligible for an additional tax credit equal to 5 percent of its actual qualified expenditures. Family-friendly productions are those that have cross-generational appeal; would be considered suitable for viewing by children age 5 or older; are appropriate in theme, content, and language for a broad family audience; embody a responsible resolution of issues; and do not exhibit or imply any act of smoking, sex, nudity, or vulgar or profane language.

(b) (c) Withdrawal of certification tax credit eligibility.-The department shall withdraw the certification of a qualified or certified production if the must continue on a reasonable schedule or timely completion of the certified production is delayed, including a break in production, a change in the production schedule, or the loss of financing for the production. A certified production must notify the department within 5 days after any circumstance that delays the reasonable

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schedule or timely completion. The certification of a certified production may not be withdrawn if the production provides the department with proof of replacement financing within 10 days after the loss of financing for the production. To keep a reasonable schedule, the certified production must begin which includes beginning principal photography or the production project in this state within <del>no more than</del> 45 calendar days before or after the principal photography or project start date provided in the production's program application. The department shall withdraw the eligibility of a qualified or certified production that does not continue on a reasonable schedule.

- (c) (d) Election and distribution of tax credits.-
- 1. A certified production company receiving a tax credit award under this section shall, at the time the credit is awarded by the department after production is completed and all requirements to receive a credit award have been met, make an irrevocable election to apply the credit against taxes due under chapter 220, against state taxes collected or accrued under chapter 212, or against a stated combination of the two taxes. The election is binding upon any distributee, successor, transferee, or purchaser. The department shall notify the Department of Revenue of any election made pursuant to this paragraph.
- 2. A qualified production company is eligible for tax credits against its sales and use tax liabilities and corporate income tax liabilities as provided in this section. However, tax credits awarded under this section may not be claimed against sales and use tax liabilities or corporate income tax liabilities for any tax period beginning before July 1, 2011,

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regardless of when the credits are applied for or awarded.

(d) (e) Tax credit carryforward.—If the certified production company cannot use the entire tax credit in the taxable year or reporting period in which the credit is awarded, any excess amount may be carried forward to a succeeding taxable year or reporting period. A tax credit applied against taxes imposed under chapter 212 may be carried forward for a maximum of 5 years after the date the credit is awarded. A tax credit applied against taxes imposed under chapter 220 may be carried forward for a maximum of 5 taxable years after the taxable year in which date the credit is awarded. An unused remaining tax credit expires after this period, after which the credit expires and may not be used.

(e) (f) Consolidated returns.—A certified production company that files a Florida consolidated return as a member of an affiliated group under s. 220.131(1) may be allowed the credit on a consolidated return basis up to the amount of the tax imposed upon the consolidated group under chapter 220.

(f) <del>(q)</del> Partnership and noncorporate distributions.—A qualified production company that is not a corporation as defined in s. 220.03 may elect to distribute tax credits awarded under this section to its partners or members in proportion to their respective distributive income or loss in the taxable year in which the tax credits were awarded.

(g) (h) Mergers or acquisitions.—Tax credits available under this section to a certified production company may succeed to a surviving or acquiring entity subject to the same conditions and limitations as described in this section; however, they may not be transferred again by the surviving or acquiring entity.



(5) TRANSFER OF TAX CREDITS.-

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- (a) Authorization. Upon application to the Office of Film and Entertainment and approval by the department, a certified production company, or a partner or member that has received a distribution under paragraph (4)(f)  $\frac{(4)(g)}{(g)}$ , may elect to transfer, in whole or in part, any unused credit amount granted under this section. An election to transfer any unused tax credit amount under chapter 212 or chapter 220 must be made no later than 5 years after the date the credit is awarded, after which period the credit expires and may not be used. The department shall notify the Department of Revenue of the election and transfer.
- (b) Number of transfers permitted.—A certified production company that elects to apply a credit amount against taxes remitted under chapter 212 is permitted a one-time transfer of unused credits to one transferee. A certified production company that elects to apply a credit amount against taxes due under chapter 220 is permitted a one-time transfer of unused credits to no more than four transferees, and such transfers must occur in the same taxable year.
- (c) Transferee rights and limitations.—The transferee is subject to the same rights and limitations as the certified production company awarded the tax credit, except that the initial transferee shall be permitted a one-time transfer of unused credits to no more than two subsequent transferees, and such transfers must occur in the same taxable year as the credits were received by the initial transferee, after which the subsequent transferees may not sell or otherwise transfer the tax credit.



2592 (6) RELINQUISHMENT OF TAX CREDITS.-

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- (a) Beginning July 1, 2011, a certified production company, or any person who has acquired a tax credit from a certified production company pursuant to subsections (4) and (5), may elect to relinquish the tax credit to the Department of Revenue in exchange for 90 percent of the amount of the relinquished tax credit.
- (b) The Department of Revenue may approve payments to persons relinquishing tax credits pursuant to this subsection.
- (c) Subject to legislative appropriation, the Department of Revenue shall request the Chief Financial Officer to issue warrants to persons relinquishing tax credits. Payments under this subsection shall be made from the funds from which the proceeds from the taxes against which the tax credits could have been applied pursuant to the irrevocable election made by the certified production company under subsection (4) are deposited.
  - (7) ANNUAL ALLOCATION OF TAX CREDITS.-
- (a) The aggregate amount of the tax credits that may be certified pursuant to paragraph (3)(d) may not exceed:
  - 1. For fiscal year 2010-2011, \$53.5 million.
  - 2. For fiscal year 2011-2012, \$74.5 million.
- 3. For fiscal years 2012-2013, 2013-2014, 2014-2015, and 2015-2016, \$42 million per fiscal year.
- (b) Any portion of the maximum amount of tax credits established per fiscal year in paragraph (a) that is not certified as of the end of a fiscal year shall be carried forward and made available for certification during the following 2 fiscal years in addition to the amounts available for certification under paragraph (a) for those fiscal years.

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- (c) Upon approval of the final tax credit award amount pursuant to subparagraph (3)(g)3.  $\frac{(3)(f)2.}{}$ , an amount equal to the difference between the maximum tax credit award amount previously certified under paragraph (3)(d) and the approved final tax credit award amount shall immediately be available for recertification during the current and following fiscal years in addition to the amounts available for certification under paragraph (a) for those fiscal years.
- (d) Tax credit award amounts available for certification on and after July 1, 2015, may not be certified before the fiscal year in which they will become available as specified in paragraph (a). Additionally, for amounts available for certification on and after July 1, 2015, one-half of the amount available in the fiscal year shall be available for certification in "Application Cycle A", and the remaining amount available in the fiscal year shall be available for certification in "Application Cycle B." If, during a fiscal year, the total amount of credits applied for, pursuant to paragraph (3) (a), exceeds the amount of credits available for certification in that fiscal year, such excess shall be treated as having been applied for on the first day of the next fiscal year in which credits remain available for certification.
- (8) LIMITATION WITH OTHER PROGRAMS.—A qualified production that is certified for tax credits under this section may not simultaneously receive benefits under ss. 288.1256 and 288.1258 for the same production.
  - (9) (8) RULES, POLICIES, AND PROCEDURES. -
- (a) The department may adopt rules pursuant to ss. 120.536(1) and 120.54 and develop policies and procedures to

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implement and administer this section, including, but not limited to, rules specifying requirements for the application and approval process, records required for substantiation for tax credits, procedures for making the election in paragraph (4)(c)  $\frac{(4)(d)}{(4)}$ , the manner and form of documentation required to claim tax credits awarded or transferred under this section, and marketing requirements for tax credit recipients.

- (b) The Department of Revenue may adopt rules pursuant to ss. 120.536(1) and 120.54 to administer this section, including rules governing the examination and audit procedures required to administer this section and the manner and form of documentation required to claim tax credits awarded, transferred, or relinguished under this section.
- (10) (9) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX CREDITS; FRAUDULENT CLAIMS.-
- (a) Audit authority.-The Department of Revenue may conduct examinations and audits as provided in s. 213.34 to verify that tax credits under this section are received, transferred, and applied according to the requirements of this section. If the Department of Revenue determines that tax credits are not received, transferred, or applied as required by this section, it may, in addition to the remedies provided in this subsection, pursue recovery of such funds pursuant to the laws and rules governing the assessment of taxes.
- (b) Revocation of tax credits.—The department may revoke or modify any written decision qualifying, certifying, or otherwise granting eligibility for tax credits under this section if it is discovered that the tax credit applicant submitted any false statement, representation, or certification in any application,

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record, report, plan, or other document filed in an attempt to receive tax credits under this section. The department shall immediately notify the Department of Revenue of any revoked or modified orders affecting previously granted tax credits. Additionally, the applicant must notify the Department of Revenue of any change in its tax credit claimed.

- (c) Forfeiture of tax credits. A determination by the Department of Revenue, as a result of an audit pursuant to paragraph (a) or from information received from the department or the Division Office of Film and Entertainment, that an applicant received tax credits pursuant to this section to which the applicant was not entitled is grounds for forfeiture of previously claimed and received tax credits. The applicant is responsible for returning forfeited tax credits to the Department of Revenue, and such funds shall be paid into the General Revenue Fund of the state. Tax credits purchased in good faith are not subject to forfeiture unless the transferee submitted fraudulent information in the purchase or failed to meet the requirements in subsection (5).
- (d) Fraudulent claims.—Any applicant that submits fraudulent information under this section is liable for reimbursement of the reasonable costs and fees associated with the review, processing, investigation, and prosecution of the fraudulent claim. An applicant that obtains a credit payment under this section through a claim that is fraudulent is liable for reimbursement of the credit amount plus a penalty in an amount double the credit amount. The penalty is in addition to any criminal penalty to which the applicant is liable for the same acts. The applicant is also liable for costs and fees

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incurred by the state in investigating and prosecuting the fraudulent claim.

(11) (10) ANNUAL REPORT.—Each November 1, the department Office of Film and Entertainment shall submit an annual report for the previous fiscal year to the Governor, the President of the Senate, and the Speaker of the House of Representatives which outlines the incentive program's return on investment and economic benefits to the state. The report must also include an estimate of the full-time equivalent positions created by each production that received tax credits under this section and information relating to the distribution of productions receiving credits by geographic region and type of production. The report must also include the expenditures report required under s. 288.915, s. 288.1253(3) and the information describing the relationship between tax exemptions and incentives to industry growth required under s. 288.1258(5), and program performance information under s. 288.1256. The department may work with the Division of Film and Entertainment to develop the annual report.

(12) (11) REPEAL.—This section is repealed July 1, 2021 2016, except that:

- (a) Tax credits certified under paragraph (3)(d) before July 1, 2021  $\frac{2016}{1}$ , may be awarded under paragraph (3)(g)  $\frac{(3)(f)}{1}$ on or after July 1, 2021 <del>2016</del>, if the other requirements of this section are met.
- (b) Tax credits carried forward under paragraph (4)(d) (4) (e) remain valid for the period specified.
- (c) Subsections (5), (9),  $\frac{(8)}{(9)}$  and (10)  $\frac{(9)}{(9)}$  shall remain in effect until July 1, 2026 July 1, 2021.

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Section 28. Beginning October 1, 2015, if an application is on file with the Department of Economic Opportunity to receive a tax credit through the entertainment industry program under s. 288.1254, Florida Statutes, and the application has not been certified for a tax credit award under current s. 288.1254(3)(d), Florida Statutes, by the department, the application is deemed denied.

Section 29. Effective October 1, 2015, section 288.1256, Florida Statutes, is created to read:

## 288.1256 Entertainment action fund.-

- (1) The entertainment action fund is created within the department in order to respond to extraordinary opportunities and to compete effectively with other states to attract and retain production companies and to provide favorable conditions for the growth of the entertainment industry in this state.
  - (2) As used in this section, the term:
- (a) "Division" means the Division of Film and Entertainment within Enterprise Florida, Inc.
- (b) "Principal photography" means the filming of major or significant components of the project which involve lead actors.
- (c) "Production" means a theatrical, direct-to-video, or direct-to-Internet motion picture; a made-for-television motion picture; visual effects or digital animation sequences produced in conjunction with a motion picture; a commercial; a music video; an industrial or educational film; an infomercial; a documentary film; a television pilot program; a presentation for a television pilot program; a television series, including, but not limited to, a drama, a reality show, a comedy, a soap opera, <u>a telenovela, a game sho</u>w, an awards show, or a miniseries

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production; a direct-to-Internet television series; or a digital media project by the entertainment industry. One season of a television series is considered one production. The term does not include a weather or market program; a sporting event or a sporting event broadcast; a gala; a production that solicits funds; a home shopping program; a political program; a political documentary; political advertising; a gambling-related project or production; a concert production; a local, regional, or Internet-distributed-only news show or current-events show; a sports news or sports recap show; a pornographic production; or any production deemed obscene under chapter 847. A production may be produced on or by film, tape, or otherwise by means of a motion picture camera; electronic camera or device; tape device; computer; any combination of the foregoing; or any other means, method, or device.

- (d) "Production company" means a corporation, limited liability company, partnership, or other legal entity engaged in one or more productions in this state.
- (e) "Production expenditures" means the costs of tangible and intangible property used for, and services performed primarily and customarily in, production, including preproduction and postproduction, but excluding costs for development, marketing, and distribution. The term includes, but is not limited to:
- 1. Wages, salaries, or other compensation paid to legal residents of this state, including amounts paid through payroll service companies, for technical and production crews, directors, producers, and performers.
  - 2. Net expenditures for sound stages, backlots, production

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2795 editing, digital effects, sound recordings, sets, and set 2796 construction.

- 3. Net expenditures for rental equipment, including, but not limited to, cameras and grip or electrical equipment.
- 4. Up to \$300,000 of the costs of newly purchased computer software and hardware unique to the project, including servers, data processing, and visualization technologies, which are located in and used exclusively in this state for the production of digital media.
- 5. Expenditures for meals, travel, and accommodations. As used in this paragraph, the term "net expenditures" means the actual amount of money a project spent for equipment or other tangible personal property, after subtracting any consideration received for reselling or transferring the item after the production ends, if applicable.
- (f) "Project" means a production in this state meeting the requirements of this section. The term does not include a production:
- 1. In which less than 70 percent of the positions that make up its production cast and below-the-line production crew are filled by legal residents of this state, whose residency is demonstrated by a valid Florida driver license or other stateissued identification confirming residency, or students enrolled full-time in an entertainment-related course of study at an institution of higher education in this state; or
- 2. That contains obscene content as defined in s. 847.001(10).
- (q) "Qualified expenditures" means production expenditures incurred in this state by a production company for:

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- 1. Goods purchased or leased from, or services, including, but not limited to, insurance costs and bonding, payroll services, and legal fees, which are provided by a vendor or supplier in this state that is registered with the Department of State or the Department of Revenue, has a physical location in this state, and employs one or more legal residents of this state. This does not include rebilled goods or services provided by an in-state company from out-of-state vendors or suppliers. When services provided by the vendor or supplier include personal services or labor, only personal services or labor provided by residents of this state, evidenced by the required documentation of residency in this state, qualify. 2. Payments to legal residents of this state in the form of salary, wages, or other compensation up to a maximum of \$400,000
- per resident unless otherwise specified in subsection (4). A completed declaration of residency in this state must accompany the documentation submitted to the department for reimbursement.

For a project involving an event, such as an awards show, the term does not include expenditures solely associated with the event itself and not directly required by the production. The term does not include expenditures incurred before the agreement is signed. The production company may not include in the calculation for qualified expenditures the original purchase price for equipment or other tangible property that is later sold or transferred by the production company for consideration. In such cases, the qualified expenditure is the net of the original purchase price minus the consideration received upon sale or transfer.

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- (h) "Underutilized county" means a county in which less than \$500,000 in qualified expenditures were made in the last 2 fiscal years.
  - (3) A production company may apply for funds from the entertainment action fund for a production or successive seasons of a production. The department and the division shall jointly review and evaluate applications to determine the eligibility of each project consistent with the requirements of this section. The department shall select projects that maximize the return to the state.
  - (4) The department and the division, in their review and evaluation of applications, must consider the following criteria, with priority given in descending order, with the highest priority given to paragraph (a):
  - (a) The number of state residents that will be employed in full-time equivalent and part-time positions related to the project and the duration of such employment and the average wages paid to such residents. Preference shall be given to a project that expects to pay higher than the statewide average wage.
  - (b) The amount of qualified and nonqualified expenditures that will be made in this state.
- (c) Planned or executed contracts with production facilities or soundstages in this state and the percentage of principal photography or production activity that will occur at each location.
- (d) Planned preproduction and postproduction to occur in this state.
  - (e) The amount of capital investment, especially fixed

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capital investment, to be made directly by the production company in this state related to the project and the amount of any other capital investment to be made in this state related to the project.

- (f) The duration of the project in this state.
- (g) The amount and duration of principal photography or production activity that will occur in an underutilized county.
- (h) The amount of promotion of Florida that the production company will provide for the state. This includes marketing materials promoting this state as a tourist destination or a film and entertainment production destination; placement of state agency logos in the production and credits; permitted use of production assets, characters, and themes by this state; promotional videos for this state included on optical disc formats; and other marketing integration.
- (i) The employment of students enrolled full-time in an entertainment-related course of study at an institution of higher education in this state or of graduates from such an institution within 12 months after graduation.
- (j) Plans to work with entertainment industry-related courses of study at an institution of higher education in this state.
- (k) The local support and any financial commitment for the project.
- (1) The project is about this state or shows this state in a positive light.
- (m) A review of the production company's past activities in this state or other states.
  - (n) The length of time the production company has made

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productions in this state, the number of productions the production company has made in this state, and the production company's overall commitment to this state. This includes a production company that is based in this state.

- (o) Expected contributions to this state's economy, consistent with the state strategic economic development plan prepared by the department.
- (p) The expected effect of the award on the viability of the project and the probability that the project would be undertaken in this state if funds are granted to the production company.
- (5) A production company must have financing in place for a project before it applies for funds under this section.
- (6) The department shall prescribe a form upon which an application must be made. At a minimum, the application must include:
- (a) The applicant's federal employer identification number, reemployment assistance account number, and state sales tax registration number, as applicable. If such numbers are not available at the time of application, they must be submitted to the department in writing before the disbursement of any payments.
  - (b) The signature of the applicant.
- (c) A detailed budget of planned qualified and nonqualified expenditures in this state.
- (d) The type and amount of capital investment that will be made in this state.
- (e) The locations in this state at which the project will occur.



2940 (f) The anticipated commencement date and duration of the 2941 project. 2942 (g) The proposed number of state residents and nonstate 2943 residents that will be employed in full-time equivalent and 2944 part-time positions related to the project and wages paid to 2945 such persons. 2946 (h) The total number of full-time equivalent employees 2947 employed by the production company in this state, if applicable. 2948 (i) Proof of financing for the project. 2949 (j) The amount of promotion of Florida that the production 2950 company will provide for the state. 2951 (k) An attestation verifying that the information provided 2952 on the application is true and accurate. 2953 (1) Any additional information requested by the department 2954 or division. 2955 (7) The department must make a recommendation to the 2956 Governor to approve or deny an award within 7 days after 2957 completion of the review and evaluation. An award of funds may 2958 not constitute more than 30 percent of qualified expenditures in 2959 this state and may not fund wages paid to nonresidents. A production must start within 1 year after the date the project 2960 2961 is approved by the Governor. The recommendation must include the 2962 performance conditions that the project must meet to obtain 2963 funds. 2964 (a) The Governor may approve projects without consulting 2965 the Legislature for projects requiring less than \$2 million in 2966 funding. 2967 (b) For projects requiring funding in the amount of \$2

million to \$5 million, the Governor shall provide a written

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description and evaluation of a project recommended for approval to the chair and vice chair of the Legislative Budget Commission at least 10 days before giving final approval for the project. The recommendation must include the performance conditions that the project must meet in order to obtain funds.

- (c) If the chair or vice chair of the Legislative Budget Commission or the President of the Senate or the Speaker of the House of Representatives timely advises the Executive Office of the Governor, in writing, that such action or proposed action exceeds the delegated authority of the Executive Office of the Governor or is contrary to legislative policy or intent, the Executive Office of the Governor shall void the release of funds and instruct the department to immediately change such action or proposed action until the Legislative Budget Commission or the Legislature addresses the issue.
- (d) Any project exceeding \$5 million must be approved by the Legislative Budget Commission before the funding is released.
- (8) Upon the approval of the Governor, the department and the production company shall enter into an agreement that specifies, at a minimum:
- (a) The total amount of funds awarded and the schedule of payment.
- (b) The performance conditions for payment of moneys from the fund, including full- and part-time employment in this state; wages paid in this state; capital investment in this state, including fixed capital investment; marketing and promotion in this state; the date by which production must start and the duration of production; and the amount of qualified



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- (c) The methodology for validating performance and the date by which the production company must submit proof of performance to the department.
- (d) That the department may review and verify any records of the production company to ascertain whether that company is in compliance with this section and the agreement.
  - (e) Sanctions for failure to meet performance conditions.
- (f) That payment of moneys from the fund is contingent upon sufficient appropriation of funds by the Legislature.
- (9) The agreement must be finalized and signed by an authorized officer of the production company within 90 days after the Governor's approval. A production company that is approved under this section may not simultaneously receive benefits under ss. 288.1254 and 288.1258 for the same production.
- (10) The department shall validate contractor performance and report such validation in the annual report required under s. 288.1254.
- (11) Contingent upon an annual appropriation by the Legislature, the department may not approve awards in excess of the amount appropriated for a fiscal year. The department must maintain a schedule of funds to be paid from the appropriation for the fiscal year that begins on July 1. For the first 6 months of each fiscal year, the department shall set aside 50 percent of the amount appropriated for the fund by the Legislature. At the end of the 6-month period, these funds may be used to provide funding for any project that qualifies under this section.

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- (12) A production company that submits fraudulent information under this section is liable for reimbursement of the reasonable costs and fees associated with the review, processing, investigation, and prosecution of the fraudulent claim. A production company that receives a payment under this section through a claim that is fraudulent is liable for reimbursement of the payment amount, plus a penalty in an amount double the payment amount. The penalty is in addition to any criminal penalty for which the production company is liable for the same acts. The production company is also liable for costs and fees incurred by the state in investigating and prosecuting the fraudulent claim.
- (13) The department may not waive any provision or provide an extension of time to meet any requirement of this section.
- (14) This section expires on July 1, 2025. An agreement in existence on that date shall continue in effect in accordance with its terms.

Section 30. Section 288.1258, Florida Statutes, is amended to read:

288.1258 Entertainment industry qualified production companies; application procedure; categories; duties of the Department of Revenue; records and reports.-

- (1) PRODUCTION COMPANIES AUTHORIZED TO APPLY.-
- (a) Any production company engaged in this state in the production of motion pictures, made-for-TV motion pictures, television series, commercial advertising, music videos, or sound recordings may submit an application to the Department of Revenue to be approved by the Department of Economic Opportunity Office of Film and Entertainment as a qualified production

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company for the purpose of receiving a sales and use tax certificate of exemption from the Department of Revenue to exempt purchases on or after the date a complete application is filed with the Department of Revenue for exemptions under ss. 212.031, 212.06, and 212.08.

- (b) As used in For the purposes of this section, the term "qualified production company" means any production company that has submitted a properly completed application to the Department of Revenue and that is subsequently qualified by the Department of Economic Opportunity Office of Film and Entertainment.
  - (2) APPLICATION PROCEDURE. -
- (a) The Department of Revenue shall will review all submitted applications for the required information. Within 10 working days after the receipt of a properly completed application, the Department of Revenue shall will forward the completed application to the Department of Economic Opportunity Office of Film and Entertainment for approval.
- (b) 1. The Department of Economic Opportunity Office of Film and Entertainment shall establish a process by which an entertainment industry production company may be approved by the department office as a qualified production company and may receive a certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031, 212.06, and 212.08. A production company that is approved under this section may not simultaneously receive benefits under ss. 288.1254 and 288.1256 for the same production.
- 2. Upon determination by the department Office of Film and Entertainment that a production company meets the established approval criteria and qualifies for exemption, the department

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Office of Film and Entertainment shall return the approved application or application renewal or extension to the Department of Revenue, which shall issue a certificate of exemption.

- 3. The department Office of Film and Entertainment shall deny an application or application for renewal or extension from a production company if it determines that the production company does not meet the established approval criteria.
- (c) The department Office of Film and Entertainment shall develop, with the cooperation of the Department of Revenue, the Division of Film and Entertainment within Enterprise Florida, Inc., and local government entertainment industry promotion agencies, a standardized application form for use in approving qualified production companies.
- 1. The application form shall include, but not be limited to, production-related information on employment, proposed budgets, planned purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08, a signed affirmation from the applicant that any items purchased for which the applicant is seeking a tax exemption are intended for use exclusively as an integral part of entertainment industry preproduction, production, or postproduction activities engaged in primarily in this state, and a signed affirmation from the department Office of Film and Entertainment that the information on the application form has been verified and is correct. In lieu of information on projected employment, proposed budgets, or planned purchases of exempted items, a production company seeking a 1-year certificate of exemption may submit summary historical data on employment, production budgets, and purchases

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of exempted items related to production activities in this state. Any information gathered from production companies for the purposes of this section shall be considered confidential taxpayer information and shall be disclosed only as provided in s. 213.053.

- 2. The application form may be distributed to applicants by the department, the Division Office of Film and Entertainment, or local film commissions.
- (d) All applications, renewals, and extensions for designation as a qualified production company shall be processed by the department Office of Film and Entertainment.
- 3125 (e) If <del>In the event that</del> the Department of Revenue 3126 determines that a production company no longer qualifies for a 3127 certificate of exemption, or has used a certificate of exemption 3128 for purposes other than those authorized by this section and chapter 212, the Department of Revenue shall revoke the 3129 certificate of exemption of that production company, and any 3130 3131 sales or use taxes exempted on items purchased or leased by the 3132 production company during the time such company did not qualify 3133 for a certificate of exemption or improperly used a certificate 3134 of exemption shall become immediately due to the Department of Revenue, along with interest and penalty as provided by s. 3135 3136 212.12. In addition to the other penalties imposed by law, any 3137 person who knowingly and willfully falsifies an application, or 3138 uses a certificate of exemption for purposes other than those 3139 authorized by this section and chapter 212, commits a felony of 3140 the third degree, punishable as provided in ss. 775.082, 775.083, and 775.084. 3141
  - (3) CATEGORIES.—

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- (a)1. A production company may be qualified for designation as a qualified production company for a period of 1 year if the company has operated a business in Florida at a permanent address for a period of 12 consecutive months. Such a qualified production company shall receive a single 1-year certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031, 212.06, and 212.08, which certificate shall expire 1 year after issuance or upon the cessation of business operations in the state, at which time the certificate shall be surrendered to the Department of Revenue.
- 2. The Office of Film and Entertainment shall develop a method by which A qualified production company may submit a new application for annually renew a 1-year certificate of exemption upon the expiration of that company's certificate of exemption; however, upon approval of the department, such qualified production company may annually renew the 1-year certificate of exemption for a period of up to 5 years without submitting requiring the production company to resubmit a new application during that 5-year period.
- 3. Each year, or upon surrender of the certificate of exemption to the Department of Revenue, the Any qualified production company shall may submit to the department aggregate data for production-related information on employment, expenditures in this state, capital investment, and purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08 for inclusion in the annual report required under subsection (5) a new application for a 1-year certificate of exemption upon the expiration of that company's certificate of exemption.

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- (b) 1. A production company may be qualified for designation as a qualified production company for a period of 90 days. Such production company shall receive a single 90-day certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031, 212.06, and 212.08, which certificate shall expire 90 days after issuance or upon the cessation of business operations in the state, at which time, with extensions contingent upon approval of the Office of Film and Entertainment. the certificate shall be surrendered to the Department of Revenue upon its expiration.
- 2. A qualified production company may submit a new application for a 90-day certificate of exemption each quarter upon the expiration of that company's certificate of exemption; however, upon approval of the department, such qualified production company may renew the 90-day certificate of exemption for a period of up to 1 year without submitting a new application during that 1-year period.
- 3.2. Each 90 days, or upon surrender of the certificate of exemption to the Department of Revenue, the qualified Any production company shall may submit to the department aggregate data for production-related information on employment, expenditures in this state, capital investment, and purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08 for inclusion in the annual report required under subsection (5) a new application for a 90-day certificate of exemption upon the expiration of that company's certificate of exemption.
  - (4) DUTIES OF THE DEPARTMENT OF REVENUE.
  - (a) The Department of Revenue shall review the initial

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application and notify the applicant of any omissions and request additional information if needed. An application shall be complete upon receipt of all requested information. The Department of Revenue shall forward all complete applications to the department Office of Film and Entertainment within 10 working days.

- (b) The Department of Revenue shall issue a numbered certificate of exemption to a qualified production company within 5 working days of the receipt of an approved application, application renewal, or application extension from the department Office of Film and Entertainment.
- (c) The Department of Revenue may adopt promulgate such rules and shall prescribe and publish such forms as may be necessary to effectuate the purposes of this section or any of the sales tax exemptions which are reasonably related to the provisions of this section.
- (d) The Department of Revenue is authorized to establish audit procedures in accordance with the provisions of ss. 212.12, 212.13, and 213.34 which relate to the sales tax exemption provisions of this section.
- (5) RELATIONSHIP OF TAX EXEMPTIONS AND INCENTIVES TO INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The department Office of Film and Entertainment shall keep annual records from the information provided on taxpayer applications for tax exemption certificates and regularly reported as required in this section beginning January 1, 2001. These records also must reflect a ratio of the annual amount of sales and use tax exemptions under this section, plus the tax credits incentives awarded pursuant to s. 288.1254 to the estimated amount of funds

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expended by certified productions. In addition, the department office shall maintain data showing annual growth in Floridabased entertainment industry companies and entertainment industry employment and wages. The employment information must include an estimate of the full-time equivalent positions created by each production that received tax credits pursuant to s. 288.1254. The department Office of Film and Entertainment shall include this information in the annual report for the entertainment industry financial incentive program required under s. 288.1254 + (10).

Section 31. Paragraph (b) of subsection (5) of section 288.901, Florida Statutes, is amended to read:

288.901 Enterprise Florida, Inc.-

- (5) APPOINTED MEMBERS OF THE BOARD OF DIRECTORS. -
- (b) In making their appointments, the Governor, the President of the Senate, and the Speaker of the House of Representatives shall ensure that the composition of the board of directors reflects the diversity of Florida's business community and is representative of the economic development goals in subsection (2). The board must include at least one director for each of the following areas of expertise: international business, tourism marketing, the space or aerospace industry, managing or financing a minority-owned business, manufacturing, finance and accounting, rural economic development, and sports marketing.

Section 32. Subsection (5) is added to section 288.905, Florida Statutes, to read:

288.905 President and employees of Enterprise Florida, Inc.-

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(5) For a period of 2 years following vacation of office, a former president may not receive compensation for personally representing before the legislative or executive branch of state government an entity that applied for funding, received state funds, or negotiated with Enterprise Florida, Inc., for the receipt of state funds, regardless of whether the entity actually received any state funds. Section 33. The changes made to s. 288.905, Florida

Statutes, apply only to presidents who are appointed or reappointed on or after July 1, 2015.

Section 34. Effective October 1, 2015, subsection (1) of section 288.92, Florida Statutes, is amended to read:

288.92 Divisions of Enterprise Florida, Inc.-

- (1) Enterprise Florida, Inc., may create and dissolve divisions as necessary to carry out its mission. Each division shall have distinct responsibilities and complementary missions. At a minimum, Enterprise Florida, Inc., shall have divisions related to the following areas:
  - (a) International Trade and Business Development;
  - (b) Business Retention and Recruitment;
  - (c) Tourism Marketing;
  - (d) Minority Business Development; and
  - (e) Sports Industry Development; and
  - (f) Film and Entertainment.
- 3283 Section 35. Subsection (1) of section 288.9622, Florida 3284 Statutes, is amended to read:
  - 288.9622 Findings and intent.-
- 3286 (1) The Legislature finds and declares that there is a need to increase the availability of seed capital and early stage 3287

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venture equity capital for emerging companies in the state, including, without limitation, enterprises in life sciences, information technology, advanced manufacturing processes, aviation and aerospace, and homeland security and defense, improvement of water quality and safety, and agricultural enhancements and protections, as well as other strategic technologies.

Section 36. Paragraph (d) of subsection (4) of section 288.9624, Florida Statutes, is amended to read:

288.9624 Florida Opportunity Fund; creation; duties.-

- (4) For the purpose of mobilizing investment in a broad variety of Florida-based, new technology companies and generating a return sufficient to continue reinvestment, the fund shall:
- (d) Invest only in funds, businesses, and infrastructure projects that have raised capital from other sources so that the amount invested in such funds, businesses, or infrastructure projects is at least twice the amount invested by the fund. Direct investments must be made in Florida infrastructure projects or businesses that are Florida-based or have significant business activities in Florida and operate in technology sectors that are strategic to Florida, including, but not limited to, enterprises in life sciences, information technology, advanced manufacturing processes, aviation and aerospace, and homeland security and defense, improvement of water quality and safety, and agricultural enhancements and protections, as well as other strategic technologies.

The Opportunity Fund may not use its original legislative



appropriation of \$29.5 million for direct investments, including loans, in businesses or infrastructure projects, or for any purpose not specified in chapter 2007-189, Laws of Florida.

Section 37. Paragraph (c) of subsection (3) and subsection (4) of section 288.980, Florida Statutes, are amended to read:

288.980 Military base retention; legislative intent; grants program.-

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- (c) The department shall require that an applicant:
- 1. Represent a local government with a military installation or military installations that could be adversely affected by federal actions.
  - 2. Agree to match at least 30 percent of any grant awarded.
- 3. Prepare a coordinated program or plan of action delineating how the eligible project will be administered and accomplished.
- 3.4. Provide documentation describing the potential for changes to the mission of a military installation located in the applicant's community and the potential impacts such changes will have on the applicant's community.
- (4) The Florida Defense Reinvestment Grant Program is established to respond to the need for this state to work in conjunction with defense-dependent communities in developing and implementing strategies and approaches that will help communities support the missions of military installations, and in developing and implementing alternative economic diversification strategies to transition from a defense economy to a nondefense economy. The department shall administer the program.

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- (a) Eligible applicants include defense-dependent counties and cities, and local economic development councils located within such communities. The program shall be administered by the department and Grant awards may be provided to support community-based activities that:
  - 1. (a) Protect existing military installations;
- 2.(b) Diversify or grow the economy of a defense-dependent community; or
- 3.<del>(c)</del> Develop plans for the reuse of closed or realigned military installations, including any plans necessary for infrastructure improvements needed to facilitate reuse and related marketing activities.
- (b) Applications for grants under paragraph (a) this subsection must include a coordinated program of work or plan of action delineating how the eligible project will be administered and accomplished, which must include a plan for ensuring close cooperation between civilian and military authorities in the conduct of the funded activities and a plan for public involvement. An applicant must agree to match at least 30 percent of any grant awarded.
- (c) An eligible applicant may also be a business in the defense and space industry. Grant awards may be provided to support technological competitiveness activities. For purposes of this paragraph, the term "technological competitiveness activities" includes equipment purchases, upgrades, or replacement. Applications for grants under this paragraph must include a plan of action delineating how the eligible project will be administered and accomplished.

Section 38. Section 288.9937, Florida Statutes, is amended



to read:

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288.9937 Evaluation of programs. - The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability shall analyze and  $\tau$  evaluate, and determine the economic benefits, as defined in s. 288.005, of the first 3 years of the Microfinance Loan Program and the Microfinance Guarantee Program. The analysis by the Office of Economic and Demographic Research must also determine the economic benefits, as defined in s. 288.005, evaluate the number of jobs created, the increase or decrease in personal income, and the impact on state gross domestic product from the direct, indirect, and induced effects of the state's investment. The analysis by the Office of Program Policy Analysis and Government Accountability must also identify any inefficiencies in the programs and provide recommendations for changes to the programs. Each The office shall submit a report to the President of the Senate and the Speaker of the House of Representatives by January 15  $\pm$ , 2018. This section expires January 31, 2018.

Section 39. Subsection (3) of section 420.5087, Florida Statutes, is amended to read:

420.5087 State Apartment Incentive Loan Program.—There is hereby created the State Apartment Incentive Loan Program for the purpose of providing first, second, or other subordinated mortgage loans or loan guarantees to sponsors, including forprofit, nonprofit, and public entities, to provide housing affordable to very-low-income persons.

(3) During the first 6 months of loan or loan guarantee availability, program funds shall be reserved for use by sponsors who provide the housing set-aside required in

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subsection (2) for the tenant groups designated in this subsection. The reservation of funds to each of these groups shall be determined using the most recent statewide very-lowincome rental housing market study available at the time of publication of each notice of fund availability required by paragraph (6)(b). The reservation of funds within each notice of fund availability to the tenant groups in paragraphs (b)-(e) (a), (b), and (e) may not be less than 10 percent of the funds available at that time. Any increase in funding required to reach the 10-percent minimum must be taken from the tenant group that has the largest reservation. The reservation of funds within each notice of fund availability to the tenant group in paragraph (a) (c) may not be less than 5 percent of the funds available at that time. The reservation of funds within each notice of fund availability to the tenant group in paragraph (d) may not be more than 10 percent of the funds available at that time. The tenant groups are:

- (a) Commercial fishing workers and farmworkers;
- (b) Families;
- (c) Persons who are homeless;
- (d) Persons with special needs; and
- (e) Elderly persons. Ten percent of the amount reserved for the elderly shall be reserved to provide loans to sponsors of housing for the elderly for the purpose of making building preservation, health, or sanitation repairs or improvements which are required by federal, state, or local regulation or code, or lifesafety or security-related repairs or improvements to such housing. Such a loan may not exceed \$750,000 per housing community for the elderly. In order to receive the loan, the

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sponsor of the housing community must make a commitment to match at least 5 percent of the loan amount to pay the cost of such repair or improvement. The corporation shall establish the rate of interest on the loan, which may not exceed 3 percent, and the term of the loan, which may not exceed 15 years; however, if the lien of the corporation's encumbrance is subordinate to the lien of another mortgagee, then the term may be made coterminous with the longest term of the superior lien. The term of the loan shall be based on a credit analysis of the applicant. The corporation may forgive indebtedness for a share of the loan attributable to the units in a project reserved for extremelylow-income elderly by nonprofit organizations, as defined in s. 420.0004(5), where the project has provided affordable housing to the elderly for 15 years or more. The corporation shall establish, by rule, the procedure and criteria for receiving, evaluating, and competitively ranking all applications for loans under this paragraph. A loan application must include evidence of the first mortgagee's having reviewed and approved the sponsor's intent to apply for a loan. A nonprofit organization or sponsor may not use the proceeds of the loan to pay for administrative costs, routine maintenance, or new construction.

Section 40. Section 420.57, Florida Statutes, is created to read:

- 420.57 Affordable and Workforce Housing for Essential Service Personnel in the Florida Keys Area of Critical State Concern.-
- (1) This section provides incentives and authorizes a process for providing affordable rental opportunities for essential services personnel in the Florida Keys Area of



3462 Critical State Concern who are affected by the area's uniquely 3463 high housing costs. (2) For purposes of this section, the term: 3464 3465 (a) "Corporation" means the Florida Housing Finance 3466 Corporation. 3467 (b) "Essential services personnel" means persons in need of affordable housing who are considered essential services 3468 personnel as defined by Monroe County in its local housing 3469 3470 assistance plan pursuant to s. 420.9075(3)(a). 3471 (c) "Florida Keys" or "Keys" means the Florida Keys Area of 3472 Critical State Concern designated by the Florida Keys Area 3473 Protection Act in s. 380.0552. 3474 (d) "Project" means the construction or rehabilitation of 3475 workforce housing by a qualified developer at a single site or 3476 scattered sites and where the qualified developer demonstrates 3477 ownership or control of all of the parcels. (e) "Workforce housing" means multifamily rental housing 3478 3479 affordable to persons or households whose income does not exceed 140 percent of the area median income for Monroe County 3480 3481 established by the United States Department of Housing and Urban 3482 Development. 3483 (3) The corporation may provide low-interest loans for 3484 construction or rehabilitation of workforce housing in the Florida Keys Area of Critical State Concern, provided that the 3485 3486 loans: 3487 (a) Do not exceed the lesser of 50 percent of development 3488 costs as defined in s. 420.503(13) or the minimum amount 3489 required to make the project economically feasible.

(b) Bear interest rates of 1 to 3 percent, where long-term



3491 affordability is provided and guaranteed for units set aside for workforce housing for essential services personnel. 3492 (4) The corporation shall select projects for funding by 3493 3494 competitive solicitation as provided in s. 420.507(48), 3495 including consideration of factors contained in s. 420.5087. 3496 (5) All eligible applications must demonstrate the 3497 following: 3498 (a) Rents for all workforce housing serving those with 3499 incomes at or below 140 percent of area median income at the 3500 appropriate income level using the restricted rents for the federal low-income housing tax credit program. Such residences 3501 may not be used for transient occupancy, tourist housing, or 3502 3503 vacation rentals. 3504 (b) The applicant proves it has site control of the 3505 proposed project site or sites and provides evidence that 3506 infrastructure sufficient to support the project is in place at 3507 the time of application. 3508 (6) Priority consideration for funding will be provided for 3509 projects that: 3510 (a) Set aside the highest percent of units for workforce 3511 housing. 3512 (b) Require the least amount of program funding compared to 3513 the overall housing cost of the project. 3514 (c) Show evidence of feasibility. 3515 (d) Demonstrate the economic viability of the project. 3516 (e) Include a commitment of first mortgage financing. 3517 (f) Are proposed by a developer with prior experience. 3518 (g) Reflect the developer's ability to proceed with

construction.

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- (h) Have support from the local government, as defined in s. 420.503(22), through funding grants, fee waivers, donations of land, contributions, or other tangible assistance. Such grants, donations of land, or contributions must be evidenced by a letter of commitment, agreement, contract, deed, memorandum of understanding, or other written instrument at the time of application.
- (i) Are consistent with the workforce housing objectives and strategies in the local comprehensive plan and land development regulations.
- (j) Incorporate one or more of the following design features: green building principles, energy efficient and water saving features, storm-resistant construction, or other elements that reduce the long-term costs relating to maintenance, utilities, and insurance.
- (7) The corporation may adopt rules to implement this section.
- (8) The corporation may use a maximum of 2 percent of any funds appropriated for this program for costs of administration.
- Section 41. Paragraphs (a) and (b) of subsection (3) and subsections (4), (5), and (6) of section 420.622, Florida Statutes, are amended to read:
- 420.622 State Office on Homelessness; Council on Homelessness.-
- (3) The State Office on Homelessness, pursuant to the policies set by the council and subject to the availability of funding, shall:
- (a) Coordinate among state, local, and private agencies and providers to produce a statewide consolidated inventory program

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and financial plan for the state's entire system of homeless programs which incorporates regionally developed plans. Such programs include, but are not limited to:

- 1. Programs authorized under the Stewart B. McKinney Homeless Assistance Act of 1987, 42 U.S.C. ss. 11371 et seq., and carried out under funds awarded to this state; and
- 2. Programs, components thereof, or activities that assist persons who are homeless or at risk for homelessness.
- (b) Collect, maintain, and make available information concerning persons who are homeless or at risk for homelessness, including demographics information, current services and resources available, the cost and availability of services and programs, and the met and unmet needs of this population. All entities that receive state funding must provide access to all data they maintain in summary form, with no individual identifying information, to assist the council in providing this information. The State Office on Homelessness shall establish a task force to make recommendations regarding the implementation of a statewide Homeless Management Information System (HMIS). The task force shall define the conceptual framework of such a system; study existing statewide HMIS models; establish an inventory of local HMIS systems, including providers and license capacity; examine the aggregated reporting being provided by local continuums of care; complete an analysis of current continuum of care resources; and provide recommendations on the costs and benefits of implementing a statewide HMIS. The task force shall also make recommendations regarding the development of a statewide, centralized coordinated assessment system in conjunction with the implementation of a statewide HMIS. The

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task force findings must be reported to the Council on Homelessness no later than December 31, 2015. The council shall explore the potential of creating a statewide Management Information System (MIS), encouraging the future participation of any bodies that are receiving awards or grants from the state, if such a system were adopted, enacted, and accepted by the state.

- (4) The State Office on Homelessness, with the concurrence of the Council on Homelessness, shall may accept and administer moneys appropriated to it to provide annual "Challenge Grants" to lead agencies of homeless assistance continuums of care designated by the State Office on Homelessness pursuant to s. 420.624. The department shall establish varying levels of grant awards up to \$500,000 per lead agency. Award levels shall be based upon the total population within the continuum of care catchment area and reflect the differing degrees of homelessness in the catchment planning areas. The department, in consultation with the Council on Homelessness, shall specify a grant award level in the notice of the solicitation of grant applications.
- (a) To qualify for the grant, a lead agency must develop and implement a local homeless assistance continuum of care plan for its designated catchment area. The continuum of care plan must implement a coordinated assessment or central intake system to screen, assess, and refer persons seeking assistance to the appropriate service provider. The lead agency shall also document the commitment of local government and private organizations to provide matching funds or in-kind support in an amount equal to the grant requested. Expenditures of leveraged funds or resources, including third-party cash or in-kind

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contributions, are permitted only for eligible activities committed on one project which have not been used as leverage or match for any other project or program and must be certified through a written commitment.

- (b) Preference must be given to those lead agencies that have demonstrated the ability of their continuum of care to provide quality services to homeless persons and the ability to leverage federal homeless-assistance funding under the Stewart B. McKinney Act and private funding for the provision of services to homeless persons.
- (c) Preference must be given to lead agencies in catchment areas with the greatest need for the provision of housing and services to the homeless, relative to the population of the catchment area.
- (d) The grant may be used to fund any of the housing, program, or service needs included in the local homeless assistance continuum of care plan. The lead agency may allocate the grant to programs, services, or housing providers that implement the local homeless assistance continuum care plan. The lead agency may provide subgrants to a local agency to implement programs or services or provide housing identified for funding in the lead agency's application to the department. A lead agency may spend a maximum of 8 percent of its funding on administrative costs.
- (e) The lead agency shall submit a final report to the department documenting the outcomes achieved by the grant in enabling persons who are homeless to return to permanent housing thereby ending such person's episode of homelessness.
  - (5) The State Office on Homelessness, with the concurrence

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of the Council on Homelessness, may administer moneys appropriated to it to provide homeless housing assistance grants annually to lead agencies for local homeless assistance continuum of care, as recognized by the State Office on Homelessness, to acquire, construct, or rehabilitate transitional or permanent housing units for homeless persons. These moneys shall consist of any sums that the state may appropriate, as well as money received from donations, gifts, bequests, or otherwise from any public or private source, which are intended to acquire, construct, or rehabilitate transitional or permanent housing units for homeless persons.

- (a) Grant applicants shall be ranked competitively. Preference must be given to applicants who leverage additional private funds and public funds, particularly federal funds designated for the acquisition, construction, or rehabilitation of transitional or permanent housing for homeless persons; who acquire, build, or rehabilitate the greatest number of units; or and who acquire, build, or rehabilitate in catchment areas having the greatest need for housing for the homeless relative to the population of the catchment area.
- (b) Funding for any particular project may not exceed \$750,000.
- (c) Projects must reserve, for a minimum of 10 years, the number of units acquired, constructed, or rehabilitated through homeless housing assistance grant funding to serve persons who are homeless at the time they assume tenancy.
- (d) No more than two grants may be awarded annually in any given local homeless assistance continuum of care catchment area.

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- (e) A project may not be funded which is not included in the local homeless assistance continuum of care plan, as recognized by the State Office on Homelessness, for the catchment area in which the project is located.
- (f) The maximum percentage of funds that the State Office on Homelessness and each applicant may spend on administrative costs is 5 percent.
- (6) The State Office on Homelessness, in conjunction with the Council on Homelessness, shall establish performance measures and specific objectives by which it may to evaluate the effective performance and outcomes of lead agencies that receive grant funds. Any funding through the State Office on Homelessness shall be distributed to lead agencies based on their overall performance and their achievement of specified objectives. Each lead agency for which grants are made under this section shall provide the State Office on Homelessness a thorough evaluation of the effectiveness of the program in achieving its stated purpose. In evaluating the performance of the lead agencies, the State Office on Homelessness shall base its criteria upon the program objectives, goals, and priorities that were set forth by the lead agencies in their proposals for funding. Such criteria may include, but not be limited to, the number of persons or households that are no longer homeless, the rate of recidivism to homelessness, and the number of persons who obtain gainful employment homeless individuals provided shelter, food, counseling, and job training.

Section 42. Subsections (3), (7), and (8) of section 420.624, Florida Statutes, are amended to read:

420.624 Local homeless assistance continuum of care.-

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- (3) Communities or regions seeking to implement a local homeless assistance continuum of care are encouraged to develop and annually update a written plan that includes a vision for the continuum of care, an assessment of the supply of and demand for housing and services for the homeless population, and specific strategies and processes for providing the components of the continuum of care. The State Office on Homelessness, in conjunction with the Council on Homelessness, shall include in the plan a methodology for assessing performance and outcomes. The State Office on Homelessness shall supply a standardized format for written plans, including the reporting of data.
- (7) The components of a continuum of care plan should include:
- (a) Outreach, intake, and assessment procedures in order to identify the service and housing needs of an individual or family and to link them with appropriate housing, services, resources, and opportunities;
- (b) Emergency shelter, in order to provide a safe, decent alternative to living in the streets;
  - (c) Transitional housing;
- (d) Supportive services, designed to assist with the development of the skills necessary to secure and retain permanent housing;
  - (e) Permanent supportive housing;
  - (f) Rapid ReHousing, as specified in s. 420.6265;
- (g) <del>(f)</del> Permanent housing;
- 3720 (h) (g) Linkages and referral mechanisms among all 3721 components to facilitate the movement of individuals and families toward permanent housing and self-sufficiency; 3722



(i) (h) Services and resources to prevent housed persons 3724 from becoming or returning to homelessness; and (j) (i) An ongoing planning mechanism to address the needs 3725 3726 of all subgroups of the homeless population, including but not 3727 limited to: 3728 1. Single adult males; 3729 2. Single adult females; 3730 3. Families with children; 3731 4. Families with no children; 3732 5. Unaccompanied children and youth; 3733 6. Elderly persons; 3734 7. Persons with drug or alcohol addictions; 3735 8. Persons with mental illness: 3736 9. Persons with dual or multiple physical or mental 3737 disorders; 10. Victims of domestic violence; and 3738 11. Persons living with HIV/AIDS. 3739 3740 (8) Continuum of care plans must promote participation by 3741 all interested individuals and organizations and may not exclude 3742 individuals and organizations on the basis of race, color, 3743 national origin, sex, handicap, familial status, or religion. 3744 Faith-based organizations must be encouraged to participate. To 3745 the extent possible, these components shall should be 3746 coordinated and integrated with other mainstream health, social 3747 services, and employment programs for which homeless populations 3748 may be eligible, including Medicaid, State Children's Health 3749 Insurance Program, Temporary Assistance for Needy Families, Food 3750 Assistance Program, and services funded through the Mental 3751 Health and Substance Abuse Block Grant, the Workforce Investment



3752 Act, and the welfare-to-work grant program. 3753

Section 43. Section 420.6265, Florida Statutes, is created to read:

420.6265 Rapid ReHousing.-

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- (1) LEGISLATIVE FINDINGS AND INTENT.-
- (a) The Legislature finds that Rapid ReHousing is a strategy of using temporary financial assistance and case management to quickly move an individual or family out of homelessness and into permanent housing.
- (b) The Legislature also finds that, for most of the past two decades, public and private solutions to homelessness have focused on providing individuals and families who are experiencing homelessness with emergency shelter, transitional housing, or a combination of both. While emergency shelter and transitional housing programs may provide critical access to services for individuals and families in crisis, they often fail to address their long-term needs.
- (c) The Legislature further finds that most households become homeless as a result of a financial crisis that prevents individuals and families from paying rent or a domestic conflict that results in one member being ejected or leaving without resources or a plan for housing.
- (d) The Legislature further finds that Rapid ReHousing is an alternative approach to the current system of emergency shelter or transitional housing which tends to reduce the length of time of homelessness and has proven to be cost effective.
- (e) It is therefore the intent of the Legislature to encourage homeless continuums of care to adopt the Rapid ReHousing approach to preventing homelessness for individuals

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3781 and families who do not require the intense level of supports 3782 provided in the Permanent Supportive Housing model.

- (2) RAPID REHOUSING METHODOLOGY.-
- (a) The Rapid ReHousing approach to homelessness differs from traditional approaches to addressing homelessness by focusing on each individual's or family's barriers to returning to housing. By using this approach, communities can significantly reduce the amount of time that individuals and families are homeless and prevent further episodes of homelessness.
- (b) In Rapid ReHousing, an individual or family is identified as being homeless, temporary assistance is provided to allow the individual or family to obtain permanent housing as quickly as possible, and, if needed, assistance is provided to allow the individual or family to retain housing.
- (c) The objective of Rapid ReHousing is to provide assistance for as short a term as possible so that the individual or family receiving assistance does not develop a dependency on the assistance.

Section 44. Subsections (25) and (26) of section 420.9071, Florida Statutes, are amended to read:

420.9071 Definitions.—As used in ss. 420.907-420.9079, the term:

(25) "Recaptured funds" means funds that are recouped by a county or eligible municipality in accordance with the recapture provisions of its local housing assistance plan pursuant to s. 420.9075(5)(i) s. 420.9075(5)(h) from eligible persons or eligible sponsors, which funds were not used for assistance to an eligible household for an eligible activity, when there is a

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default on the terms of a grant award or loan award.

(26) "Rent subsidies" means ongoing monthly rental assistance. The term does not include initial assistance to tenants, such as grants or loans for security and utility deposits.

Section 45. Subsection (7) of section 420.9072, Florida Statutes, is amended, present subsections (8) and (9) of that section are redesignated as subsections (9) and (10), respectively, and a new subsection (8) is added to that section, to read:

420.9072 State Housing Initiatives Partnership Program.—The State Housing Initiatives Partnership Program is created for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing-related employment.

- (7) A county or an eligible municipality must expend its portion of the local housing distribution only to implement a local housing assistance plan or as provided in this subsection. A county or an eligible municipality may not expend its portion of the local housing distribution to provide rent subsidies; however, this does not prohibit the use of funds for security and utility deposit assistance.
- (8) A county or an eligible municipality may not expend its portion of the local housing distribution to provide ongoing rent subsidies, except for:
  - (a) Security and utility deposit assistance.



3839 (b) Eviction prevention not to exceed 6 months' rent. (c) A rent subsidy program for very-low-income households 3840 3841 with at least one adult who is a person with special needs as 3842 defined in s. 420.0004 or homeless as defined in s. 420.621. The 3843 period of rental assistance may not exceed 12 months for any 3844 eligible household. Section 46. Present subsections (5), (6), and (7) of 3845 3846 section 420.9073, Florida Statutes, are redesignated as 3847 subsections (6), (7), and (8), respectively, and a new subsection (5) is added to that section, to read: 3848 3849 420.9073 Local housing distributions.

- (5) Notwithstanding subsections (1) through (4), the corporation shall first distribute 4 percent of the total amount to be distributed in a given fiscal year from the Local Government Housing Trust Fund to the Department of Children and Families and the Department of Economic Opportunity as follows:
- (a) The Department of Children and Families shall receive 95 percent of such amount to provide operating funds and other support to the designated lead agency in each continuum of care for the benefit of the designated catchment area as described in s. 420.624.
- (b) The Department of Economic Opportunity shall receive 5 percent of such amount to provide training and technical assistance to lead agencies receiving operating funds and other support under paragraph (a) in accordance with s. 420.606(3). Training and technical assistance funded by this distribution shall be provided by a nonprofit entity that meets the requirements of s. 420.531.

Section 47. Paragraph (a) of subsection (2) of section

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420.9075, Florida Statutes, is amended, paragraph (f) is added to subsection (3) of that section, subsection (5) of that section is amended, and paragraph (i) is added to subsection (10) of that section, to read:

- 420.9075 Local housing assistance plans; partnerships.-
- (2) (a) Each county and each eligible municipality participating in the State Housing Initiatives Partnership Program shall encourage the involvement of appropriate public sector and private sector entities as partners in order to combine resources to reduce housing costs for the targeted population. This partnership process should involve:
  - 1. Lending institutions.
  - 2. Housing builders and developers.
- 3. Nonprofit and other community-based housing and service organizations.
- 4. Providers of professional services relating to affordable housing.
- 5. Advocates for low-income persons, including, but not limited to, homeless people, the elderly, and migrant farmworkers.
  - 6. Real estate professionals.
- 7. Other persons or entities who can assist in providing 3889 3890 housing or related support services.
  - 8. Lead agencies of local homeless assistance continuums of care.
    - (3)

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3894 (f) Each county and each eligible municipality is 3895 encouraged to develop a strategy within its local housing assistance plan which provides program funds for reducing 3896



# homelessness.

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- (5) The following criteria apply to awards made to eligible sponsors or eligible persons for the purpose of providing eligible housing:
- (a) At least 65 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for home ownership for eligible persons.
- (b) Up to 25 percent of the funds made available in each county and eligible municipality from the local housing distribution may be reserved for rental housing for eligible persons or for the purposes enumerated in s. 420.9072(8).
- (c) (b) At least 75 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for construction, rehabilitation, or emergency repair of affordable, eligible housing.
- (d) (e) Not more than 20 percent of the funds made available in each county and eligible municipality from the local housing distribution may be used for manufactured housing.
- (e) (d) The sales price or value of new or existing eligible housing may not exceed 90 percent of the average area purchase price in the statistical area in which the eliqible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs or as otherwise established by the United States Department of the Treasury.
- (f) <del>(e)</del> 1. All units constructed, rehabilitated, or otherwise assisted with the funds provided from the local housing

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assistance trust fund must be occupied by very-low-income persons, low-income persons, and moderate-income persons except as otherwise provided in this section.

2. At least 30 percent of the funds deposited into the local housing assistance trust fund must be reserved for awards to very-low-income persons or eligible sponsors who will serve very-low-income persons and at least an additional 30 percent of the funds deposited into the local housing assistance trust fund must be reserved for awards to low-income persons or eligible sponsors who will serve low-income persons. This subparagraph does not apply to a county or an eligible municipality that includes, or has included within the previous 5 years, an area of critical state concern designated or ratified by the Legislature for which the Legislature has declared its intent to provide affordable housing. The exemption created by this act expires on July 1, 2013, and shall apply retroactively.

(q) (f) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to serve eligible persons.

(h) <del>(g)</del> Loans or grants for eligible rental housing constructed, rehabilitated, or otherwise assisted from the local housing assistance trust fund must be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan unless reserved for eligible persons for 15 years or the term of the assistance, whichever period is longer. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the

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current market value for continued occupancy by eligible persons.

(i) (h) Loans or grants for eligible owner-occupied housing constructed, rehabilitated, or otherwise assisted from proceeds provided from the local housing assistance trust fund shall be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan.

(j) (i) The total amount of monthly mortgage payments or the amount of monthly rent charged by the eligible sponsor or her or his designee must be made affordable.

(k) (j) The maximum sales price or value per unit and the maximum award per unit for eligible housing benefiting from awards made pursuant to this section must be established in the local housing assistance plan.

(1) (k) The benefit of assistance provided through the State Housing Initiatives Partnership Program must accrue to eligible persons occupying eligible housing. This provision shall not be construed to prohibit use of the local housing distribution funds for a mixed income rental development.

(m) (1) Funds from the local housing distribution not used to meet the criteria established in paragraph (a) or paragraph (c) (b) or not used for the administration of a local housing assistance plan must be used for housing production and finance activities, including, but not limited to, financing preconstruction activities or the purchase of existing units, providing rental housing, and providing home ownership training to prospective home buyers and owners of homes assisted through the local housing assistance plan.

1. Notwithstanding the provisions of paragraphs (a) and (c)

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(b), program income as defined in s. 420.9071(24) may also be used to fund activities described in this paragraph.

- 2. When preconstruction due-diligence activities conducted as part of a preservation strategy show that preservation of the units is not feasible and will not result in the production of an eligible unit, such costs shall be deemed a program expense rather than an administrative expense if such program expenses do not exceed 3 percent of the annual local housing distribution.
- 3. If both an award under the local housing assistance plan and federal low-income housing tax credits are used to assist a project and there is a conflict between the criteria prescribed in this subsection and the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, the county or eligible municipality may resolve the conflict by giving precedence to the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, in lieu of following the criteria prescribed in this subsection with the exception of paragraphs (a) and (f)  $\frac{(e)}{(e)}$  of this subsection.
- 4. Each county and each eligible municipality may award funds as a grant for construction, rehabilitation, or repair as part of disaster recovery or emergency repairs or to remedy accessibility or health and safety deficiencies. Any other grants must be approved as part of the local housing assistance plan.
- (10) Each county or eligible municipality shall submit to the corporation by September 15 of each year a report of its affordable housing programs and accomplishments through June 30 immediately preceding submittal of the report. The report shall

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be certified as accurate and complete by the local government's chief elected official or his or her designee. Transmittal of the annual report by a county's or eligible municipality's chief elected official, or his or her designee, certifies that the local housing incentive strategies, or, if applicable, the local housing incentive plan, have been implemented or are in the process of being implemented pursuant to the adopted schedule for implementation. The report must include, but is not limited to:

(i) A description of efforts to reduce homelessness. Section 48. Section 420.9089, Florida Statutes, is created to read:

420.9089 National Housing Trust Fund.—The Legislature finds that more funding for housing to assist the homeless is needed and encourages the state entity designated to administer funds made available to the state from the National Housing Trust Fund to propose an allocation plan that includes strategies to reduce homelessness in this state. These strategies to address homelessness shall be in addition to strategies under s. 420.5087.

Section 49. Effective October 1, 2015, subsection (5) of section 477.0135, Florida Statutes, is amended to read:

477.0135 Exemptions.-

(5) A license is not required of any individual providing makeup, special effects, or cosmetology services to an actor, stunt person, musician, extra, or other talent during a production recognized by the Department of Economic Opportunity Office of Film and Entertainment as a qualified production as defined in s. 288.1254(1). Such services are not required to be



4042 performed in a licensed salon. Individuals exempt under this 4043 subsection may not provide such services to the general public. 4044 Section 50. Effective July 1, 2015, the four sports 4045 development project applications that the Department of Economic 4046 Opportunity reviewed and recommended to the Legislature for 4047 approval pursuant to s. 288.11625, Florida Statutes, on January 23, 2015, are approved pursuant to s. 288.11625(4)(e), Florida 4048 4049 Statutes. The Department of Economic Opportunity shall certify 4050 the applicants for sports development projects no later than 4051 August 15, 2015. 4052 Section 51. (1) For purposes of this section, the term 4053 "eligible business" means a business that entered into a 4054 contract with the Department of Economic Opportunity for an 4055 economic development program under chapter 288, Florida 4056 Statutes, between January 1, 2013, and December 31, 2015, for a 4057 project that is located in an enterprise zone designated pursuant to s. 290.0065, Florida Statutes, as of December 31, 4058 4059 2015. 4060 (2) An eligible business may apply for the following 4061 programs, if the contract with the Department of Economic 4062 Opportunity is still deemed active by the department and has not 4063 expired or terminated: 4064 (a) The property tax exemption for licensed child care 4065 facility under s. 196.095, Florida Statutes. 4066 (b) The building materials sales tax refund under s. 4067 212.08(5)(q), Florida Statutes. 4068 (c) The business equipment sales tax refund under s. 4069 212.08(5)(h), Florida Statutes. 4070 (d) The electrical sales tax exemption under s. 212.08(15),

Florida Statutes.

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4072 (e) The enterprise zone jobs tax credit under s. 212.096, 4073 Florida Statutes. 4074 (f) The enterprise zone jobs tax credit under s. 220.181, 4075 Florida Statutes. (q) The enterprise zone property tax credit under s. 4076 4077 220.182, Florida Statutes. 4078 (3) The Department of Economic Opportunity must provide a 4079 list of eligible businesses annually to the Department of 4080 Revenue. The Department of Economic Opportunity must also 4081 provide notice to the Department of Revenue upon the expiration 4082 or termination of a contract. 4083 (4) This section is effective January 1, 2016, and expires 4084 on December 31, 2018. 4085 Section 52. For the 2014-2015 fiscal year, the sums of \$20 4086 million in nonrecurring funds from the State Economic 4087 Enhancement and Development Trust Fund and \$3.8 million in 4088 nonrecurring funds from the Economic Development Trust Fund are 4089 appropriated to the Department of Economic Opportunity to 4090 provide payments and tax refunds pursuant to s. 288.061, Florida 4091 Statutes, for programs under ss. 288.0659, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089, Florida Statutes. 4092 4093 Payments may be made only for projects that meet statutory eligibility requirements. The projects must be verified by an 4094 4095 independent third party that determines that an applicant has 4096 satisfied all of the requirements of the agreement or contract, 4097 and the Department of Economic Opportunity must determine that 4098 the applicant has met the required project performance criteria and that a payment is due. Funds may not be released for any 4099



other purpose. Funds provided from the Economic Development Trust Fund represent local matching funds.

Section 53. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2015.

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========= T I T L E A M E N D M E N T ==========

4106 And the title is amended as follows:

> Delete everything before the enacting clause and insert:

> > A bill to be entitled

An act relating to economic development; amending s. 163.340, F.S.; expanding the definition of the term "blighted area" to include a substantial number or percentage of properties damaged by sinkhole activity which are not adequately repaired or stabilized; conforming a cross-reference; amending ss. 163.524, 212.08, 212.20 and 220.1899, F.S.; conforming crossreferences; amending s. 220.191, F.S.; redefining the term "cumulative capital investment"; amending s. 288.0001, F.S.; conforming a cross-reference; requiring the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability to provide a detailed analysis of the retention of Major League Baseball spring training baseball franchises; amending s. 288.005, F.S.; redefining the term "economic benefits"; amending s. 288.061, F.S.; requiring the Department of Economic Opportunity to prescribe a specified application form; requiring the incentive

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application to include specified information; requiring the Office of Economic and Demographic Research to include guidelines for the appropriate application of the department's internal model in the establishment of the methodology and model it will use to calculate economic benefits; requiring that if the Office of Economic and Demographic Research develops an amended definition of the term "economic benefits," it must reflect a specified requirement; prohibiting the department from attributing to the business any capital investment made by a business using state funds; requiring that the evaluation account for all capital investment relating to the project; requiring the department's evaluation of the application to include specified information; requiring the department to recommend to the Governor approval or disapproval of a project that will receive funds from specified programs; requiring the department, in recommending a project, to include justification for the project and proposed performance conditions that the project must meet to obtain incentive funds; authorizing the Governor to approve a project without consulting the Legislature if the requested funding is less than a specified amount; requiring the Governor to provide a written description and evaluation of the project to specified persons during a specified timeframe; requiring the recommendation to include proposed payment and performance conditions that the project must meet in order to obtain incentive funds

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and to avoid sanctions; requiring the Governor to instruct the department to immediately suspend an action or proposed action until the Legislative Budget Commission or the Legislature makes a determination on the project in certain circumstances; requiring a project that exceeds a specified amount of funding to be approved by the Legislative Budget Commission before final approval by the Governor; requiring a project that exceeds a specified amount of funding and that provides a waiver of program requirements to be approved by the Legislative Budget Commission before final approval by the Governor; providing that a project is deemed approved by the Legislative Budget Commission in certain circumstances; requiring the department to issue a letter certifying the applicant as qualified for an award upon approval; specifying the authorized funding sources related to the term "project"; requiring the department and the applicant to enter into an agreement or contract upon certification; requiring the agreement or contract to require that the applicant use the workforce information systems in certain circumstances; requiring any agreement or contract that requires capital investment to be made by the business to also require that such investment remain in the state for the duration of the agreement or contract; prohibiting an agreement or contract from having a term of longer than 10 years; authorizing the department to enter into a successive agreement or contract for a

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specified project under certain circumstances; providing applicability; requiring the department to provide notice, with a written description and evaluation, to the Legislature of any proposed amendments to an agreement or contract; requiring the department to provide notice of the proposed change to specified persons in order to provide an opportunity for review; providing that a proposed amendment to an agreement or contract which reduces projected economic benefits calculated at the time the agreement or contract was executed by a specified amount or more or that results in an economic benefit ratio below a specified level, or if already below the specified level, by a specified amount, is subject to specified notice and objection procedures; requiring the Governor to instruct the department to immediately suspend an action or proposed action until the Legislative Budget Commission or Legislature makes a determination on the project in certain circumstances; authorizing the department to execute specified contracts and agreements from current or future fiscal year appropriations for specified incentive programs; prohibiting the total amount of actual or projected funds approved for a specified payment by the department from exceeding a specified amount in any fiscal year for certain programs; providing that the specified funding limitation may only be waived by the Legislature in the General Appropriations Act or other legislation; requiring the department to provide

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specified notice to the Legislature upon the final execution of each contract or agreement; requiring the department to provide to the Legislature a list of projected payments for the following fiscal year and a list of claims actually filed for payment in the following fiscal year by specified dates; prohibiting the department from making a scheduled payment under a contract or agreement for a given fiscal year until the department has validated that the applicant has met the performance requirements of the contract or agreement; providing for reversion of specified funds that are unexpended by a specified date in a fiscal year; prohibiting the transfer of such reverted funds to an escrow account; requiring the Legislature to annually appropriate in the General Appropriations Act an amount estimated to sufficiently satisfy scheduled payments in a fiscal year; requiring the department to pay unfunded claims if the amount appropriated by the Legislature proves insufficient to satisfy the scheduled payments in a fiscal year; requiring the department to notify the legislative appropriations committees of any anticipated shortfall for the current fiscal year and of the amount it estimates will be needed to pay claims during the next fiscal year; amending s. 288.095, F.S.; providing that moneys credited to the Economic Development Trust Fund consist of specified funds; restricting the use of moneys in the Economic Development Incentives Account; providing that any balance in the account at the end

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of the fiscal year remains in the account and is available for carrying out the purposes of the account; amending s. 288.1045, F.S.; revising the term "average wage in the area" to "average private sector wage in the area"; conforming provisions to changes made by the act; prohibiting the department from certifying any applicant as a qualified applicant in certain circumstances; increasing the number of days the department may extend the filing date; extending the future expiration of an applicant for a tax refund; requiring the department to verify taxes paid; amending s. 288.106, F.S.; conforming provisions to changes made by the act; revising terms; increasing the number of days the department may extend the filing date; revising the limitations on the average private sector wage paid by the business; amending s. 288.107, F.S.; revising the term "eligible business"; defining the term "fixed capital investment"; conforming provisions to changes made by the act; amending s. 288.108, F.S.; conforming provisions to changes made by the act; amending s. 288.1088, F.S.; revising the requirements for projects eligible for receipt of funds from the Quick Action Closing Fund; conforming provisions to changes made by the act; defining the term "average private sector wage in the area"; requiring a specified request to be transmitted in writing to the department with an explanation of the specific justification for the request; requiring a decision to be stated in writing with an explanation

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of the reason for approving the request if the department approves the request; prohibiting the department from waiving more than a specified amount of criteria; revising the information that the department must include in an evaluation of an individual proposal for high-impact business facilities; prohibiting the payment of moneys from the fund to a business until the scheduled goals have been achieved; revising the information that must be included in a contract that sets forth the conditions for payments of moneys from the fund; creating s. 288.10881, F.S.; creating the Quick Action Closing Fund Escrow Account within the State Board of Administration; providing the composition of the escrow account; restricting the usage of moneys in the escrow account to specified payments; requiring the State Board of Administration to transfer specified funds to the department for deposit in the State Economic Enhancement and Development Trust Fund in certain circumstances; requiring the establishment of a continuing appropriation category; requiring specified funds to be returned to the department for deposit in the State Economic Enhancement and Development Trust Funds within a specified period; requiring funds in the escrow account to be managed under specified investment practices; requiring that the funds be made available to make specified payments; requiring the State Board of Administration to transfer interest earnings on a quarterly basis to

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the department for deposit in the State Economic Enhancement and Development Trust Fund; authorizing specified funds to be used to fund specified marketing activities of Enterprise Florida, Inc.; amending s. 288.1089, F.S.; conforming provisions to changes made by the act; amending s. 288.1097, F.S.; authorizing a qualified job training organization to participate in a self-insurance fund; providing that a qualified job training organization is not subject to specified requirements; amending s. 288.1168, F.S.; requiring the Department of Economic Opportunity to recertify the professional golf hall of fame facility annually; requiring the PGA Tour, Inc., to increase funding if the facility does not meet minimum projections; requiring advertising to be done in consultation with the Florida Tourism Industry Marketing Corporation; providing for decertification of the facility under certain circumstances; repealing s. 288.1169, F.S., relating to state agency funding of the International Game Fish Association World Center facility; amending s. 288.1201, F.S.; conforming provisions to changes made by the act; amending s. 288.125, F.S.; revising the applicability of the term "entertainment industry"; transferring, renumbering, and amending s. 288.1251, F.S.; renaming the Office of Film and Entertainment within the Department of Economic Opportunity as the Division of Film and Entertainment within Enterprise Florida, Inc.; requiring the division to serve as a liaison between the

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entertainment industry and other agencies, commissions, and organizations; requiring the Governor to appoint the film and entertainment commissioner; revising the requirements of the division's strategic plan; transferring, renumbering, and amending s. 288.1252, F.S.; revising the powers and duties of the Florida Film and Entertainment Advisory Council; revising council membership; conforming provisions to changes made by the act; transferring, renumbering, and amending s. 288.1253, F.S.; conforming provisions to changes made by the act; prohibiting the division and its employees and representatives from accepting specified accommodations, goods, or services from specified parties; providing that any person who accepts any such good or services is subject to specified penalties; amending s. 288.1254, F.S.; redefining and revising terms; requiring the department and the division, rather than the Office of Film and Entertainment, to be responsible for applications for the entertainment industry program; revising provisions relating to the application process, tax credit eligibility, transfer of tax credits, election and distribution of tax credits, allocation of tax credits, forfeiture of tax credits, and annual report; extending the repeal date; conforming provisions to changes made by the act; specifying a date on which the applications on file with the department and not yet certified are deemed denied; creating s. 288.1256, F.S.; creating the

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entertainment action fund within the department; defining terms; authorizing a production company to apply for funds from the entertainment action fund in certain circumstances; requiring the department and the division to jointly review and evaluate applications to determine the eligibility of each project; requiring the department to select projects that maximize the return to the state; requiring certain criteria to be considered by the department and the division; requiring a production company to have financing for a project before it applies for action funds; requiring the department to prescribe a form for an application with specified information; requiring that the department make a recommendation to the Governor to approve or deny an award within a specified timeframe after the completion of the review and evaluation; providing that an award of funds may not constitute more than a specified percentage of qualified expenditures in this state and prohibiting the use of such funds to pay wages to nonresidents; requiring a production to start within a specified period after it is approved by the Governor; requiring that the recommendation include performance conditions that the project must meet to obtain funds; requiring the department and the production company to enter into a specified agreement after approval by the Governor; requiring that the agreement be finalized and signed by an authorized officer of the production company within a specified period after approval by

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the Governor; prohibiting an approved production company from simultaneously receiving specified benefits for the same production; requiring that the department validate contractor performance and report such validation in the annual report; prohibiting the department from approving awards in excess of the amount appropriated for a fiscal year; requiring the department to maintain a schedule of funds; providing that a production company that submits fraudulent information is liable for reimbursement of specified costs; providing a penalty; prohibiting the department from waiving any provision or providing an extension of time to meet specified requirements; providing an expiration date; amending s. 288.1258, F.S.; conforming provisions to changes made by the act; prohibiting an approved production company from simultaneously receiving benefits under specified provisions for the same production; requiring the department to develop a standardized application form in cooperation with the division and other agencies; requiring the qualified production company to submit aggregate data on specified topics; authorizing a qualified production company to renew its certificate of exemption for a specified period; amending s. 288.901, F.S.; revising expertise requirements of members of the board of directors of Enterprise Florida, Inc.; amending s. 288.905, F.S.; prohibiting a former president of Enterprise Florida, Inc., from receiving compensation for personally representing a

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specified entity before the legislative or executive branch of state government; providing applicability; amending s. 288.92, F.S.; requiring Enterprise Florida, Inc., to have a division relating to film and entertainment; amending s. 288.9622, F.S.; revising legislative intent; amending s. 288.9624, F.S.; specifying additional investment sectors for the Florida Opportunity Fund; amending s. 288.980, F.S.; removing the requirement that an applicant to the Defense Infrastructure Grant Program provide matching funds of a certain amount; requiring the department to administer the program; expanding eligibility for the program; defining the term "technological competitiveness activities"; amending s. 288.9937, F.S.; requiring the Office of Program Policy Analysis and Government Accountability to analyze and evaluate certain programs for a specified period; requiring the Office of Economic and Demographic Research to determine the economic benefits of certain programs; requiring the Office of Program Policy Analysis and Government Accountability to identify inefficiencies in certain programs and to recommend changes to such programs; revising the date by which each office must submit a report to certain persons; amending s. 420.5087, F.S.; revising the reservation of funds within each notice of fund availability to specified tenant groups; creating s. 420.57, F.S.; providing legislative intent; defining terms; authorizing the Florida Housing Finance Corporation to provide low-

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interest loans for construction or rehabilitation of workforce housing in the Florida Keys Area of Critical State Concern, subject to certain requirements; requiring the corporation to select projects for funding by competitive solicitation, including consideration of certain factors; specifying factors all eligible applications must demonstrate; specifying factors for priority consideration for funding for projects; authorizing the corporation to adopt rules for certain purposes; authorizing the corporation to use a maximum of 2 percent of any funds appropriated for the program for costs of administration; amending s. 420.622, F.S.; requiring that the State Office on Homelessness coordinate among certain agencies and providers to produce a statewide consolidated inventory for the state's entire system of homeless programs which incorporates regionally developed plans; directing the State Office on Homelessness to create a task force to make recommendations regarding the implementation of a statewide Homeless Management Information System (HMIS) subject to certain requirements; requiring the task force to include in its recommendations the development of a statewide, centralized coordinated assessment system; requiring the task force to submit a report to the Council on Homelessness by a specified date; deleting the requirement that the Council on Homelessness explore the potential of creating a statewide Management Information System and encourage future participation

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of certain award or grant recipients; requiring the State Office on Homelessness to accept and administer moneys appropriated to it to provide annual Challenge Grants to certain lead agencies of homeless assistance continuums of care; removing the requirement that levels of grant awards be based upon the total population within the continuum of care catchment area and reflect the differing degrees of homelessness in the respective areas; allowing expenditures of leveraged funds or resources only for eligible activities subject to certain requirements; providing that preference for a grant award must be given to those lead agencies that have demonstrated the ability to leverage specified federal homeless-assistance funding, as well as private funding, for the provision of services to homeless persons; revising preference conditions relating to grant applicants; requiring the State Office on Homelessness, in conjunction with the Council on Homelessness, to establish specific objectives by which it may evaluate the outcomes of certain lead agencies; requiring that any funding through the State Office on Homelessness be distributed to lead agencies based on their performance and achievement of specified objectives; revising the factors that may be included as criteria for evaluating the performance of lead agencies; amending s. 420.624, F.S.; revising requirements for the local homeless assistance continuum of care plan; providing that the components of a continuum of care

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plan should include Rapid ReHousing; requiring that specified components of a continuum of care plan be coordinated and integrated with other specified services and programs; creating s. 420.6265, F.S.; providing legislative findings and intent relating to Rapid ReHousing; providing a Rapid ReHousing methodology; amending s. 420.9071, F.S.; conforming a cross-reference; redefining the term "rent subsidies"; amending s. 420.9072, F.S.; prohibiting a county or an eligible municipality from expending its portion of the local housing distribution to provide ongoing rent subsidies; specifying exceptions; amending s. 420.9073, F.S.; requiring the Florida Housing Finance Corporation to first distribute a certain percentage of the total amount to be distributed each fiscal year from the Local Government Housing Trust Fund to the Department of Children and Families and to the Department of Economic Opportunity, respectively, subject to certain requirements; amending s. 420.9075, F.S.; providing that a certain partnership process of the State Housing Initiatives Partnership Program should involve lead agencies of local homeless assistance continuums of care; encouraging counties and eligible municipalities to develop a strategy within their local housing assistance plans which provides program funds for reducing homelessness; revising the criteria that apply to awards made to sponsors or persons for the purpose of providing housing; requiring that a specified report submitted

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by counties and municipalities include a description of efforts to reduce homelessness; creating s. 420.9089, F.S.; providing legislative findings and intent relating to the National Housing Trust Fund; amending s. 477.0135, F.S.; conforming a provision to changes made by the act; approving specified sports development project applications; requiring the department to certify the applicants by a specified date; defining the term "eligible business"; authorizing an eligible business to apply for specified programs in certain circumstances; requiring the department to provide a list of eligible business annually to the Department of Revenue; requiring the department to provide notice to the Department of Revenue upon the expiration or termination of a contract; providing an effective date and an expiration date; providing an appropriation from the State Economic Enhancement and Development Trust Fund and Economic Development Trust Fund for specified

purposes; providing an effective date.