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LEGISLATIVE ACTION

| Senate | . | House |
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| Comm: RCS | . | |
| 01/25/2016 | . | |
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The Committee on Commerce and Tourism (Latvala) recommended the following:

Senate Amendment (with title amendment)

Delete lines 354 - 710

and insert:

Section 4. Paragraphs (b) and (g) of subsection (1) of section 220.191, Florida Statutes, are 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 by, or on



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11 behalf of, the qualifying business in connection with a
12 qualifying project during the period from the beginning of
13 construction of the project to the commencement of operations.
14 The term does not include funds granted to or spent on behalf of
15 the qualifying business by the state, a local government, or
16 other governmental entity; funds appropriated in the General
17 Appropriations Act; or funds otherwise provided to the
18 qualifying business by a state agency, local government, or
19 other governmental entity.

20 (g) "Qualifying project" means a facility in this state
21 meeting one or more of the following criteria:

22 1. A new or expanding facility in this state which creates
23 at least 100 new jobs in this state and is in one of the high-
24 impact sectors identified by Enterprise Florida, Inc., and
25 certified by the Department of Economic Opportunity pursuant to
26 s. 288.108(6), including, but not limited to, aviation,
27 aerospace, automotive, and silicon technology industries.
28 ~~However, between July 1, 2011, and June 30, 2014, the~~
29 ~~requirement that a facility be in a high-impact sector is waived~~
30 ~~for any otherwise eligible business from another state which~~
31 ~~locates all or a portion of its business to a Disproportionally~~
32 ~~Affected County. For purposes of this section, the term~~
33 ~~"Disproportionally Affected County" means Bay County, Escambia~~
34 ~~County, Franklin County, Gulf County, Okaloosa County, Santa~~
35 ~~Rosa County, Walton County, or Wakulla County.~~

36 2. A new or expanded facility in this state which is
37 engaged in a target industry designated pursuant to the
38 procedure specified in s. 288.106(2) and which is induced by
39 this credit to create or retain at least 1,000 jobs in this



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40 state, provided that at least 100 of those jobs are new, pay an
41 annual average wage of at least 130 percent of the average
42 private sector wage in the area as defined in s. 288.005(1) ~~s.~~
43 ~~288.106(2)~~, and make a cumulative capital investment of at least
44 \$100 million. Jobs may be considered retained only if there is
45 significant evidence that the loss of jobs is imminent.

46 Notwithstanding subsection (2), annual credits against the tax
47 imposed by this chapter may not exceed 50 percent of the
48 increased annual corporate income tax liability or the premium
49 tax liability generated by or arising out of a project
50 qualifying under this subparagraph. A facility that qualifies
51 under this subparagraph for an annual credit against the tax
52 imposed by this chapter may take the tax credit for a period not
53 to exceed 5 years.

54 3. A new or expanded headquarters facility in this state
55 which locates in an enterprise zone and brownfield area and is
56 induced by this credit to create at least 1,500 jobs which on
57 average pay at least 200 percent of the statewide average annual
58 private sector wage, as published by the Department of Economic
59 Opportunity, and which new or expanded headquarters facility
60 makes a cumulative capital investment in this state of at least
61 \$250 million.

62 Section 5. Paragraph (a) of subsection (2) of section
63 220.196, Florida Statutes, is amended to read:

64 220.196 Research and development tax credit.—

65 (2) TAX CREDIT.—

66 (a) As provided in this section, a business enterprise is
67 eligible for a credit against the tax imposed by this chapter if
68 it:



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69 1. Has qualified research expenses in this state in the
70 taxable year exceeding the base amount;

71 2. Claims and is allowed a research credit for such
72 qualified research expenses under 26 U.S.C. s. 41 for the same
73 taxable year as subparagraph 1.; and

74 3. Is a qualified target industry business as defined in s.
75 288.106(2) ~~s. 288.106(2)(n)~~. Only qualified target industry
76 businesses in the manufacturing, life sciences, information
77 technology, aviation and aerospace, homeland security and
78 defense, cloud information technology, marine sciences,
79 materials science, and nanotechnology industries may qualify for
80 a tax credit under this section. A business applying for a
81 credit pursuant to this section shall include a letter from the
82 Department of Economic Opportunity certifying whether the
83 business meets the requirements of this subparagraph with its
84 application for credit. The Department of Economic Opportunity
85 shall provide such a letter upon receiving a request.

86 Section 6. Paragraphs (a), (b), and (e) of subsection (2)
87 of section 288.0001, Florida Statutes, are amended to read:

88 288.0001 Economic Development Programs Evaluation.—The
89 Office of Economic and Demographic Research and the Office of
90 Program Policy Analysis and Government Accountability (OPPAGA)
91 shall develop and present to the Governor, the President of the
92 Senate, the Speaker of the House of Representatives, and the
93 chairs of the legislative appropriations committees the Economic
94 Development Programs Evaluation.

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



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98 (a) By January 1, 2014, and every 3 years thereafter, an
99 analysis of the following:

100 1. The capital investment tax credit established under s.
101 220.191.

102 2. The qualified target industry tax refund established
103 under s. 288.106.

104 3. The brownfield redevelopment bonus refund established
105 under s. 288.107.

106 4. High-impact business performance grants established
107 under s. 288.108.

108 5. The Florida Enterprise ~~Quick Action Closing~~ Fund
109 established under s. 288.1088.

110 6. The Innovation Incentive Program established under s.
111 288.1089.

112 7. Enterprise Zone Program incentives established under ss.
113 212.08(5) and (15), 212.096, 220.181, and 220.182.

114 8. The New Markets Development Program established under
115 ss. 288.991-288.9922.

116 (b) By January 1, 2015, and every 3 years thereafter, an
117 analysis of the following:

118 1. The entertainment industry financial incentive program
119 established under s. 288.1254.

120 2. The entertainment industry sales tax exemption program
121 established under s. 288.1258.

122 3. The Florida Tourism Industry Marketing Corporation
123 ~~VISIT Florida~~ and its programs established or funded under ss.
124 288.122, 288.1226, 288.12265, and 288.124.

125 4. The Florida Sports Foundation and related programs
126 established under ss. 288.1162, 288.11621, 288.1166, 288.1167,



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127 288.1168, ~~288.1169~~, and 288.1171.

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

132 Section 7. Present subsection (1) of section 288.005,
133 Florida Statutes, is redesignated as subsection (3) and amended,
134 and present subsections (3) through (6) of that section are
135 redesignated as subsections (4) through (7), respectively, and a
136 new subsection (1) is added to that section, to read:

137 288.005 Definitions.—As used in this chapter, the term:

138 (1) “Average private sector wage in the area” means the
139 statewide average wage in the private sector or the average of
140 all private sector wages in the county or in the standard
141 metropolitan area in which the project is located, as determined
142 by the department.

143 (3)(1) “Economic benefits” means the direct, indirect, and
144 induced gains in state revenues as a percentage of the state’s
145 investment. The state’s investment includes all state funds
146 spent or foregone to benefit a business, including state funds
147 appropriated to public and private entities, state grants, tax
148 exemptions, tax refunds, tax credits, and other state
149 incentives.

150 Section 8. Section 288.061, Florida Statutes, is amended to
151 read:

152 288.061 Economic development incentive application
153 process.—

154 (2) (a) ~~Beginning July 1, 2013,~~ The department shall review
155 and evaluate each economic development incentive application for



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156 the economic benefits of the proposed award of state incentives
157 proposed for the project.

158 (b) As used in this subsection, the term "economic
159 benefits" has the same meaning as in s. 288.005. The Office of
160 Economic and Demographic Research shall establish the
161 methodology and model used to calculate the economic benefits,
162 including guidelines for the appropriate application of the
163 department's internal model. For purposes of this requirement,
164 an amended definition of the term "economic benefits" may be
165 developed by the Office of Economic and Demographic Research.
166 However, the amended definition must reflect the requirement of
167 s. 288.005 that the calculation of the state's investment
168 include all state funds spent or foregone to benefit the
169 business, including state funds appropriated to public and
170 private entities, to the extent that those funds should
171 reasonably be known to the department at the time of approval.

172 (c) For the purpose of calculating the economic benefits of
173 the proposed award of state incentives for the project, the
174 department may not attribute to the business any capital
175 investment made by the business using state funds. However, for
176 the purpose of evaluating an economic development incentive
177 application, the department shall consider the cumulative
178 capital investment, as defined in s. 220.191.

179 (3) Within 10 business days after the department receives a
180 complete ~~the submitted~~ economic development incentive
181 application, the executive director shall approve or disapprove
182 the application and issue a letter of certification to the
183 applicant which includes a justification of that decision,
184 unless the business requests an extension of ~~that~~ time.



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185 (a) The ~~contract or~~ agreement or contract with the
186 applicant must specify the total amount of the award, the
187 performance conditions that must be met to obtain the award, the
188 schedule for payment, and sanctions that would apply for failure
189 to meet performance conditions. Any agreement or contract that
190 requires the business to make a capital investment must also
191 require that such investment remain in this state for the
192 duration of the agreement or contract, with the exception of an
193 investment made in transportation-related assets specifically
194 used for the purpose of transporting goods or employees. The
195 department may enter into one agreement or contract covering all
196 of the state incentives that are being provided to the
197 applicant. The agreement or contract must provide that release
198 of funds is contingent upon sufficient appropriation of funds by
199 the Legislature.

200 (b) The department may not enter into an agreement or a
201 contract that has a term of more than 10 years. However, the
202 department may enter into a successive agreement or contract for
203 a specific project to extend the initial 10-year term if each
204 successive agreement or contract is contingent upon the
205 successful completion of the previous agreement or contract.
206 This paragraph does not apply to an agreement or a contract for
207 a project receiving a capital investment tax credit under s.
208 220.191 or an Innovation Incentive Program award under s.
209 288.1089.

210 (c) The department shall provide a notice, including an
211 updated description and evaluation, to the Legislature upon the
212 final execution of each contract or agreement. Any contract or
213 agreement executed by the department for a project under s.



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214 288.108, s. 288.1088, or s. 288.1089 must embody performance
215 criteria and timelines in a written description and evaluation
216 submitted to the Legislature before the contract is executed.

217 (d) The release of funds for the incentive or incentives
218 awarded to the applicant depends upon the statutory requirements
219 of the particular incentive program.

220 Section 9. Paragraphs (a), (c), and (e) of subsection (1)
221 and subsection (6) of section 288.076, Florida Statutes, are
222 amended to read:

223 288.076 Return on investment reporting for economic
224 development programs.—

225 (1) As used in this section, the term:

226 (a) "Jobs" has the same meaning as provided in s.
227 288.106(2) s. ~~288.106(2)(i)~~.

228 (c) "Project" has the same meaning as provided in s.
229 288.106(2) s. ~~288.106(2)(m)~~.

230 (e) "State investment" means all state funds spent or
231 foregone to benefit a business, including state funds
232 appropriated to public and private entities, ~~any~~ state grants,
233 tax exemptions, tax refunds, tax credits, and any other source
234 of state funds which should reasonably be known to the
235 department at the time of approval ~~or other state incentives~~
236 ~~provided to a business under a program administered by the~~
237 ~~department,~~ including the capital investment tax credit under s.
238 220.191.

239 (6) Annually, the department shall publish information
240 relating to the progress of Florida Enterprise ~~Quick Action~~
241 ~~Closing~~ Fund projects, including the average number of days
242 between the date the department receives a completed application



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243 and the date on which the application is approved.

244 Section 10. Subsection (2) and paragraph (c) of subsection
245 (3) of section 288.095, Florida Statutes, is amended to read:

246 288.095 Economic Development Trust Fund.—

247 (2) There is created, within the Economic Development Trust
248 Fund, the Economic Development Incentives Account. The Economic
249 Development Incentives Account consists of moneys appropriated
250 to the account for purposes of the tax incentives programs
251 authorized under ss. 288.1045 and 288.106, and local financial
252 support provided under ss. 288.1045, and 288.106, and 288.1088.
253 Moneys in the Economic Development Incentives Account shall be
254 subject to the provisions of s. 216.301(1) (a).

255 (3)

256 (c) Moneys in the Economic Development Incentives Account
257 may be used only to pay tax refunds and make other payments
258 authorized under s. 288.1045, s. 288.106, or s. 288.107 and
259 payments authorized under s. 288.1088.

260 Section 11. Paragraph (b) of subsection (1) and paragraph
261 (e) of subsection (3) of section 288.1045, Florida Statutes, are
262 amended, paragraph (i) is added to subsection (5) of that
263 section, and subsection (7) of that section is amended, to read:

264 288.1045 Qualified defense contractor and space flight
265 business tax refund program.—

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

267 ~~(b) "Average wage in the area" means the average of all~~
268 ~~wages and salaries in the state, the county, or in the standard~~
269 ~~metropolitan area in which the business unit is located.~~

270 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
271 DETERMINATION.—



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

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

280 2. The consolidation of a Department of Defense contract
281 must result in a net increase of at least 25 percent in the
282 number of jobs at the applicant's facilities in this state or
283 the addition of at least 80 jobs at the applicant's facilities
284 in this state.

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

288 4. The Department of Defense contract or the space flight
289 business contract does not ~~cannot~~ allow the business to include
290 the costs of relocation or retooling in its base as allowable
291 costs under a cost-plus, or similar, contract.

292 5. A business unit of the applicant must have derived not
293 less than 60 percent of its gross receipts in this state from
294 Department of Defense contracts or space flight business
295 contracts over the applicant's last fiscal year, and must have
296 derived not less than an average of 60 percent of its gross
297 receipts in this state from Department of Defense contracts or
298 space flight business contracts over the 5 years preceding the
299 date an application is submitted pursuant to this section. This
300 subparagraph does not apply to any application for certification



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301 based on a contract for reuse of a defense-related facility.

302 6. The reuse of a defense-related facility will ~~must~~ result
303 in the creation of at least 100 jobs at such facility.

304 7. A new space flight business contract or the
305 consolidation of a space flight business contract will ~~must~~
306 result in net increases in space flight business employment at
307 the applicant's facilities in this state.

308 (5) ANNUAL CLAIM FOR REFUND.—

309 (i) If a business fails to timely submit documentation
310 requested by the department as required in the agreement between
311 the business and the department and such failure results in the
312 department withholding an otherwise approved refund, the
313 business may receive the approved refund if:

314 1. The business submits the documentation to the
315 department.

316 2. The business provides a written statement to the
317 department detailing the extenuating circumstances that resulted
318 in the failure to timely submit the documentation required by
319 the agreement.

320 3. Funds appropriated under this section remain available.

321 4. The business was scheduled under the terms of the
322 agreement to submit information to the department between
323 January 1, 2014, and December 31, 2014.

324 5. The business has met all other requirements of the
325 agreement.

326 (7) EXPIRATION.—An applicant may not be certified as
327 qualified under this section after June 30, 2018 ~~2014~~. A tax
328 refund agreement existing on that date shall continue in effect
329 in accordance with its terms.



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330 Section 12. Paragraph (c) of subsection (2) and paragraph
331 (b) of subsection (4) of section 288.106, Florida Statutes, are
332 amended, present subsection (9) is redesignated as subsection
333 (10), and a new subsection (9) is added to that section, to
334 read:

335 288.106 Tax refund program for qualified target industry
336 businesses.-

337 (2) DEFINITIONS.-As used in this section:

338 ~~(c) "Average private sector wage in the area" means the~~
339 ~~statewide private sector average wage or the average of all~~
340 ~~private sector wages and salaries in the county or in the~~
341 ~~standard metropolitan area in which the business is located.~~

342 (4) APPLICATION AND APPROVAL PROCESS.-

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

346 1.a. The jobs proposed to be created under the application,
347 pursuant to subparagraph (a)4., must pay an estimated annual
348 average wage equaling at least 115 percent of the average
349 private sector wage in the area where the business is to be
350 located ~~or the statewide private sector average wage~~. The
351 governing board of the local governmental entity providing the
352 local financial support of the jurisdiction where the qualified
353 target industry business is to be located shall notify the
354 department and Enterprise Florida, Inc., which calculation of
355 the average private sector wage in the area must be used as the
356 basis for the business's wage commitment. In determining the
357 average annual wage, the department shall include only new
358 proposed jobs, and wages for existing jobs shall be excluded



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359 from this calculation.

360 b. The department may waive the average wage requirement at
361 the request of the local governing body recommending the project
362 and Enterprise Florida, Inc. The department may waive the wage
363 requirement for a project located in a brownfield area
364 designated under s. 376.80, in a rural city, in a rural
365 community, in an enterprise zone, or for a manufacturing project
366 at any location in the state if the jobs proposed to be created
367 pay an estimated annual average wage equaling at least 100
368 percent of the average private sector wage in the area where the
369 business is to be located, only if the merits of the individual
370 project or the specific circumstances in the community in
371 relationship to the project warrant such action. If the local
372 governing body and Enterprise Florida, Inc., make such a
373 recommendation, it must be transmitted in writing and must
374 include an explanation of, ~~and~~ the specific justification for
375 the waiver recommendation ~~must be explained~~. If the department
376 elects to waive the wage requirement, the waiver must be stated
377 in writing and must include an explanation of, ~~and~~ the reasons
378 for granting the waiver ~~must be explained~~.

379 2. The target industry business's project must result in
380 the creation of at least 10 jobs at the project and, in the case
381 of an expansion of an existing business, must result in a net
382 increase in employment of at least 10 percent at the business.
383 At the request of the local governing body recommending the
384 project and Enterprise Florida, Inc., the department may waive
385 this requirement for a business in a rural community or
386 enterprise zone if the merits of the individual project or the
387 specific circumstances in the community in relationship to the



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388 project warrant such action. If the local governing body and
389 Enterprise Florida, Inc., make such a request, the request must
390 be transmitted in writing and must include an explanation of
391 ~~and~~ the specific justification for the request ~~must be~~
392 ~~explained~~. If the department elects to grant the request, the
393 grant must be stated in writing~~7~~ and explain why the request was
394 granted ~~the reason for granting the request must be explained~~.

395 3. The business activity or product for the applicant's
396 project must be within an industry identified by the department
397 as a target industry business that contributes to the economic
398 growth of the state and the area in which the business is
399 located, that produces a higher standard of living for residents
400 of this state in the new global economy, or that can be shown to
401 make an equivalent contribution to the area's and state's
402 economic progress.

403 (9) INCENTIVE PAYMENTS.—The incentive payments made to a
404 business pursuant to this section are not repayments of the
405 actual taxes paid to the state or to a local government by the
406 business. The amount of state and local government taxes paid by
407 a business serve as a limitation on the amount of incentive
408 payments a business may receive.

409 Section 13. Paragraph (b) of subsection (2) of section
410 288.108, Florida Statutes, is amended to read:

411 288.108 High-impact business.—

412 (2) DEFINITIONS.—As used in this section, the term:

413 (b) "Cumulative investment" means the total investment in
414 buildings and equipment made by a qualified high-impact business
415 since the beginning of construction of such facility. The term
416 does not include funds granted to or spent on behalf of the



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417 qualifying business by the state, a local government, or other
418 governmental entity; funds appropriated in the General
419 Appropriations Act; or funds otherwise provided to the
420 qualifying business by a state agency, local government, or
421 other governmental entity.

422 Section 14. Section 288.1088, Florida Statutes, are amended
423 to read:

424 288.1088 Florida Enterprise ~~Quick Action Closing~~ Fund.—

425 (1)(a) The Legislature finds that attracting, retaining,
426 and providing favorable conditions for the growth of certain
427 high-impact business facilities, privately developed critical
428 rural infrastructure, or key facilities in economically
429 distressed urban or rural communities which provide widespread
430 economic benefits to the public through high-quality employment
431 opportunities in such facilities or in related facilities
432 attracted to the state, through the increased tax base provided
433 by the high-impact facility and related businesses, through an
434 enhanced entrepreneurial climate in the state and the resulting
435 business and employment opportunities, and through the
436 stimulation and enhancement of the state's universities and
437 community colleges. In the global economy, there exists serious
438 and fierce international competition for these facilities, and
439 in most instances, when all available resources for economic
440 development have been used, the state continues to encounter
441 severe competitive disadvantages in vying for these business
442 facilities. Florida's rural areas must provide a competitive
443 environment for business in the information age. This often
444 requires an incentive to make it feasible for private investors
445 to provide infrastructure in those areas.



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446 (b) The Legislature finds that the conclusion of the space
447 shuttle program and the gap in civil human space flight will
448 result in significant job losses that will negatively impact
449 families, companies, the state and regional economies, and the
450 capability level of this state's aerospace workforce. Thus, the
451 Legislature also finds that this loss of jobs is a matter of
452 state interest and great public importance. The Legislature
453 further finds that it is in the state's interest for provisions
454 to be made in incentive programs for economic development to
455 maximize the state's ability to mitigate these impacts and to
456 develop a more diverse aerospace economy.

457 (c) The Legislature therefore declares that sufficient
458 resources shall be available to respond to extraordinary
459 economic opportunities and to compete effectively for these
460 high-impact business facilities, critical private infrastructure
461 in rural areas, and key businesses in economically distressed
462 urban or rural communities, and that up to 20 percent of these
463 resources may be used for projects to retain or create high-
464 technology jobs that are directly associated with developing a
465 more diverse aerospace economy in this state.

466 (2) There is created within the department the Florida
467 Enterprise ~~Quick Action Closing~~ Fund. ~~Except as provided in~~
468 subsection (3), projects eligible for receipt of funds from the
469 Florida Enterprise ~~Quick Action Closing~~ Fund ~~must shall:~~

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

471 (b) Have a positive economic benefit ratio of at least 3 to
472 1 ~~5 to 1~~.

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



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475 (d) Pay an average annual wage of at least 125 percent of
476 the average areawide or statewide private sector average wage in
477 the area.

478 (e) Be supported by the local community in which the
479 project is to be located. Support must include a resolution
480 adopted by the governing board of the county or municipality in
481 which the project will be located, which resolution recommends
482 that the project be approved and specifies that the commitments
483 of local financial support necessary for the business exist.
484 Before the passage of such resolution, the department may also
485 accept an official letter from an authorized local economic
486 development agency that endorses the proposed project and
487 pledges that sources of local financial support for such project
488 exist. For the purposes of making pledges of local financial
489 support under this paragraph, the authorized local economic
490 development agency shall be officially designated by the passage
491 of a one-time resolution by the local governing board. For
492 purposes of this section, the term "local financial support"
493 means funding from local sources, public or private, which is
494 paid to the Economic Development Trust Fund and which is equal
495 to 20 percent of the Florida Enterprise Fund award to a
496 business.

497 1. A business may not provide, directly or indirectly, more
498 than 5 percent of such funding in any fiscal year. The sources
499 of such funding may not include, directly or indirectly, state
500 funds appropriated from the General Revenue Fund or any state
501 trust fund, excluding tax revenues shared with local governments
502 pursuant to law.

503 2. A business may not receive more than 80 percent of its



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504 total award under this section from state funds.

505 (f) Create at least 10 new jobs.

506 (3) (a) The department and Enterprise Florida, Inc., shall
507 jointly review applications pursuant to s. 288.061 and determine
508 the eligibility of each project consistent with the criteria in
509 subsection (2).

510 (b) If the local governing body and Enterprise Florida,
511 Inc., decide to request a waiver of the criteria in subsection
512 (2), the request must be transmitted in writing to the
513 department with an explanation of the specific justification for
514 the request. If the department approves the request, the
515 decision must be stated in writing with an explanation of the
516 reason for approving the request. A waiver of the criteria in
517 subsection (2) ~~these criteria~~ may be considered for ~~under~~ the
518 following reasons ~~criteria~~:

- 519 1. Based on extraordinary circumstances;
520 2. In order to mitigate the impact of the conclusion of the
521 space shuttle program; or
522 3. In rural areas of opportunity if the project would
523 significantly benefit the local or regional economy.

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

527 (a) ~~1.~~ A description of the type of facility or
528 infrastructure, its operations, and the associated product or
529 service associated with the facility.

530 (b) ~~2.~~ The number of full-time-equivalent jobs that will be
531 created by the facility and the total estimated average annual
532 wages of those jobs or, in the case of privately developed rural



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533 infrastructure, the types of business activities and jobs
534 stimulated by the investment.

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

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

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

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

547 ~~1.a.~~ A financial analysis of the company, including an
548 evaluation of the company's short-term liquidity ratio as
549 measured by its assets to liabilities ~~liability~~, the company's
550 profitability ratio, and the company's long-term solvency as
551 measured by its debt-to-equity ratio;

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

553 ~~3.c.~~ A review of any independent evaluations of the
554 company;

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

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

560 (g) The amount of local financial support for the project.

561 ~~(5)(e)1.~~ Within 7 business days after evaluating a project,



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562 the department shall recommend to the Governor approval or
563 disapproval of the a project for receipt of funds from the
564 Florida Enterprise Quick Action Closing Fund. In recommending a
565 project, the department shall include proposed performance
566 conditions that the project must meet to obtain incentive funds.

567 (a)2. The Governor may approve projects without consulting
568 the Legislature for projects requiring less than \$2 million in
569 funding.

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

577 (c)4. If the chair or vice chair of the Legislative Budget
578 Commission or the President of the Senate or the Speaker of the
579 House of Representatives timely advises the Executive Office of
580 the Governor, in writing, that such action or proposed action
581 exceeds the delegated authority of the Executive Office of the
582 Governor or is contrary to legislative policy or intent, the
583 Executive Office of the Governor shall void the release of funds
584 and instruct the department to immediately change such action or
585 proposed action until the Legislative Budget Commission or the
586 Legislature addresses the issue. Notwithstanding such
587 requirement, any project exceeding \$5 million must be approved
588 by the Legislative Budget Commission before ~~prior to~~ the funds
589 are being released.

590 (6)(d) Upon the approval of the Governor, the department



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591 shall issue a letter certifying the applicant as qualified for
592 an award. The department and the business shall enter into a
593 contract that sets forth the performance conditions for payment
594 of moneys from the fund. Such payment may not be made to the
595 business until the scheduled performance conditions have been
596 met. The contract must include the total amount of funds
597 awarded; the performance conditions that must be met to obtain
598 the award, including, but not limited to, net new employment in
599 the state, average salary, and total capital investment;
600 demonstrate a baseline of current service and a measure of
601 enhanced capability; the methodology for validating performance;
602 the schedule of payments from the fund; the amount of local
603 financial support that will be annually available and that will
604 be paid into the Economic Development Trust Fund; and sanctions
605 for failure to meet performance conditions. The contract must
606 provide that payment of moneys from the fund is contingent upon
607 sufficient appropriation of funds by the Legislature. The
608 department may not enter into a contract with a business if the
609 local financial support resolution is not passed by the local
610 governing body within 90 days after the department has issued
611 the letter of certification.

612 (7)(e) The department shall validate contractor performance
613 and report such validation in the annual incentives report
614 required under s. 288.907.

615 (8)(a)(4) Funds appropriated by the Legislature for
616 purposes of implementing this section shall be placed in reserve
617 and may only be released pursuant to the legislative
618 consultation and review requirements set forth in this section.

619 (b) A scheduled payment from the fund may not be approved



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620 for a business unless the required local financial support has
621 been paid into the account for that project. Funding from local
622 sources includes any tax abatement granted to that business
623 under s. 196.1995 or the appraised market value of municipal or
624 county land conveyed or provided at a discount to that business.
625 The amount of any scheduled payment from the fund to such
626 business approved under this section must be reduced by the
627 amount of any such tax abatement granted or the value of the
628 land granted. A report listing all sources of the local
629 financial support shall be provided to the department when such
630 support is paid to the account.

631
632 ===== T I T L E A M E N D M E N T =====

633 And the title is amended as follows:

634 Delete lines 11 - 39

635 and insert:

636 amending s. 220.191, F.S.; revising the definition of
637 the term "cumulative capital investment"; conforming a
638 cross-reference; deleting an obsolete provision;
639 amending s. 220.196, F.S.; conforming a cross-
640 reference; amending s. 288.0001, F.S.; conforming
641 cross-references; requiring the Office of Economic and
642 Demographic Research and the Office of Program Policy
643 Analysis and Government Accountability to provide a
644 detailed analysis of the retention of Major League
645 Baseball spring training baseball franchises; amending
646 s. 288.005, F.S.; defining the term "average private
647 sector wage in the area"; revising the definition of
648 the term "economic benefits"; amending s. 288.061,



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649 F.S.; requiring the Office of Economic and Demographic
650 Research to include certain guidelines for the
651 calculation of economic benefits; providing
652 requirements for an amended definition by the office;
653 prohibiting the department from attributing to a
654 business certain investments for specified purposes;
655 requiring the department to consider certain
656 investments for specified purposes; providing
657 requirements for the contract or agreement;
658 prohibiting the department from entering into an
659 agreement or a contract that has a term of longer than
660 10 years; authorizing the department to enter into a
661 successive agreement or contract for a specified
662 project under certain circumstances; providing
663 applicability; requiring the department to provide
664 specified notice to the Legislature upon the final
665 execution of each contract or agreement; amending s.
666 288.076, F.S.; revising definitions; conforming cross-
667 references; amending s. 288.095, F.S.; conforming
668 cross-references to changes made by the act; amending
669 s. 288.1045, F.S.; deleting the definition of the term
670 "average wage in the area"; authorizing a business to
671 receive an approved refund if the business fails to
672 submit certain documentation under certain
673 circumstances; extending the expiration date of the
674 section; conforming provisions to changes made by the
675 act; amending s. 288.106, F.S.; deleting the
676 definition of the term "average private sector wage in
677 the area"; making technical changes; amending s.



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678 288.108, F.S.; revising definitions; amending s.
679 288.1088, F.S.; renaming the Quick Action Closing Fund
680 as the Florida Enterprise Fund; revising the
681 requirements for projects eligible for receipt of
682 funds from the fund; requiring local financial
683 support; conforming provisions to changes made by the
684 act; requiring a certain waiver request to be
685 transmitted in writing to the Department of Economic
686 Opportunity with an explanation of the specific
687 justification for the request; requiring a decision to
688 be stated in writing with an explanation of the reason
689 for approving the request if the department approves
690 the request; requiring the department to issue a
691 letter to an applicant in certain circumstances;
692 prohibiting the payment of moneys from the fund to a
693 business until the scheduled goals have been achieved;
694 amending s. 288.1089, F.S.;