By Senator Brandes

1

2

3

4

5

6

7

8

9

10

11

12

13

1415

16

17

18

19

20

21

22

23

24

25

2627

28

29

24-00960D-17 20171110

A bill to be entitled An act relating to economic development; amending s.

20.60, F.S.; requiring the Department of Economic Opportunity to contract with a specified directsupport organization to guide, stimulate, and promote the sports industry, the participation of residents in amateur athletic competitions, and this state as a host for national and international athletic competitions; amending s. 288.0001, F.S.; requiring the Office of Economic and Demographic Research to calculate the net state gross domestic product per state dollar of certain programs; revising analysis requirements; amending s. 288.001, F.S.; requiring the Network Lead Center within the University of West Florida to develop, by a certain date, a guide to starting a business; requiring the guide to be made available to specified agencies and corporations; providing requirements for the guide; requiring the Network Lead Center to develop a statewide call center, known as the Florida Business Information Center, within the Network Lead Center as a source for general business information, inquiries, and referrals; amending s. 288.005, F.S.; redefining the term "economic benefits"; amending s. 288.061, F.S.; deleting an obsolete date; making technical changes; providing requirements for contracts between the department and applicants for economic development incentives; prohibiting the department from entering into an agreement or contract that has a term greater

31

32

33 34

35 36

37

38

39

40

41

42

43 44

45

46

47

48 49

50

51

52

53

54

55

56

57

58

24-00960D-17 20171110

than 10 years; providing an exemption; prohibiting the department from making specified amendments to a contract or agreement; creating s. 288.103, F.S.; specifying residency requirements for certain projects; providing applicability; amending s. 288.1045, F.S.; providing exceptions to allow the Department of Economic Opportunity to distribute certain refunds to certain businesses; amending s. 288.11621, F.S.; transferring certain duties from Enterprise Florida, Inc., to the Florida Sports Foundation; amending s. 288.1201, F.S.; requiring the department to retain funds appropriated for specified programs until performance requirements for incentives are submitted and verified; requiring the department to return certain unexpended funds to the State Treasury; requiring such funds to be deposited into specified accounts; requiring the department to return such funds by a specified date and to notify the Governor and the Legislature of the status of compliance; requiring the department to provide the Legislature with lists of potential and actual claims for payment by specified dates; creating the Quick Action Closing Fund Escrow Account within the State Economic Enhancement and Development Trust Fund; specifying moneys to be deposited to the account; providing appropriation requirements for moneys in the account; providing that a balance in the account at the end of the fiscal year remains in the account to continue carrying out the purpose of the account;

60

61

62

63

64

65

66

67 68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

8485

86

87

24-00960D-17 20171110

authorizing the department to make a payment from the account subject to certain requirements; requiring the department to determine whether the account contains moneys from specified agreements or contracts that have terminated or expired, or for which the applicant has not met performance conditions; requiring such funds to be returned to the trust fund within 10 days after such determination; providing management and investment requirements for specified moneys; requiring the department to quarterly transfer interest earnings to the trust fund; reviving, readopting, and amending s. 288.1229, F.S.; requiring the department to establish a direct-support organization known as the Florida Sports Foundation to assist the department, rather than the Office of Tourism, Trade, and Economic Development, with specified duties; providing incorporation requirements for the foundation; requiring the foundation to be governed by a board of directors; specifying membership requirements of the board; requiring the foundation to operate under contract with the department; requiring the department to enter into a contract with the foundation by a specified date; authorizing the department, rather than the office, to review the foundation's articles of incorporation; revising requirements for the foundation to promote amateur sports and physical fitness; requiring the Florida Senior Games to be patterned after the Summer Olympics with variations under certain circumstances;

89

90

91

92

93 94

95

96 97

98

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114

115

116

24-00960D-17 20171110

deleting a requirement that participants of the Sunshine State Games and Florida Senior Games be residents of this state; deleting a provision requiring specified regional competitions; providing that the department, rather than the Executive Office of the Governor, is authorized to allow the use of certain property, facilities, or services; conforming provisions to changes made by the act; creating s. 288.1259, F.S.; creating the Start-Up Florida Grant Program; providing legislative purpose; defining terms; requiring the program to provide startup and operating assistance to qualified small business incubators; requiring the department to awards grants to qualified small business incubators for specified purposes; requiring the department to require grant recipients to provide matching funds or in-kind contributions for a project at least equal to the grant award; requiring the department to require grant recipients to show that they have certain resources to complete a project in a timely manner; requiring rulemaking; requiring the department to accept and receive grants, gifts, and pledges of funds for specified purposes; requiring the department to integrate the promotion of small business incubators in its specified strategic plan; amending s. 288.901, F.S.; requiring a representative from the rural economic development community and a representative from the Small Business Development Center Network to be appointed members of the board of directors of

Enterprise Florida, Inc.; requiring the board to include at least one director with expertise in the area of rural economic development, rather than sports marketing; amending s. 288.9015, F.S.; requiring a two-thirds vote of the entire board of directors of Enterprise Florida, Inc., to approve certain contracts with other organizations if certain persons in the organization are affiliated with board members; amending s. 288.904, F.S.; revising funding requirements for Enterprise Florida, Inc.; amending s. 288.905, F.S.; requiring the president of Enterprise Florida, Inc., to be subject to confirmation by the Senate; authorizing Enterprise Florida, Inc., to award goal- or result-oriented incentives to an employee under certain circumstances; requiring such goal or result to be quantifiable, measurable, and verifiable; creating s. 288.9938, F.S.; repealing part XIV of ch. 288, F.S., relating to microfinance programs, on a specified date, subject to certain conditions; providing a directive to the Division of Law Revision and Information; amending ss. 288.92 and 320.08058, F.S.; conforming provisions to changes made by the act; providing an effective date.

139140

117118

119

120

121

122

123

124

125

126

127

128

129

130

131

132

133

134

135

136

137

138

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

142143

144

145

141

Section 1. Paragraph (g) is added to subsection (4) of section 20.60, Florida Statutes, to read:

20.60 Department of Economic Opportunity; creation; powers

and duties.-

(4) The purpose of the department is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. To accomplish such purposes, the department shall:

(g) Notwithstanding part I of chapter 287, contract with the direct-support organization created under s. 288.1229 to guide, stimulate, and promote the sports industry in this state, to promote the participation of residents of this state in amateur athletic competition, and to promote this state as a host for national and international amateur athletic competitions.

Section 2. Subsection (3) 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.

(3) Pursuant to the schedule established in subsection (2), the Office of Economic and Demographic Research shall evaluate and determine the economic benefits, as defined in s. 288.005, and a calculation of the net state gross domestic product per state dollar for of each program over the previous 3 years. The analysis must include the change in also evaluate the number of

24-00960D-17 20171110

jobs created, the average annual wage for all 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 in each program over the previous 3 years.

- (a) For the purpose of evaluating tax credits, tax refunds, sales tax exemptions, cash grants, and similar programs, the Office of Economic and Demographic Research shall evaluate data only from those projects in which businesses received state funds during the evaluation period. Such projects may be fully completed, partially completed with future fund disbursal possible pending performance measures, or partially completed with no future fund disbursal possible as a result of a business's inability to meet performance measures.
- (b) The analysis must use the model developed by the Office of Economic and Demographic Research, as required in s. 216.138, to evaluate each program. The office shall provide a written explanation of the key assumptions of the model and how it is used. If the office finds that another evaluation model is more appropriate to evaluate a program, it may use another model, but it must provide an explanation as to why the selected model was more appropriate.

Section 3. Paragraphs (c) and (d) are added to subsection (3) of section 288.001, Florida Statutes, to read:

288.001 The Florida Small Business Development Center Network.—

- (3) OPERATION; POLICIES AND PROGRAMS.—
- (c) The Network Lead Center within the University of West Florida shall develop a guide to starting a business in this

state by June 30, 2018. The guide shall be made available to
local governments, the department, the Department of Veterans
Affairs, CareerSource Florida, Inc., Enterprise Florida, Inc.,
and each state library, and shall be posted to each of the
entities' websites by October 1, 2018. The guide shall include,
but is not limited to, information on:

1. Business formation.

210

211

212

213

214

215

216

217

218

219

220

221

222

223

224

225

226

227

228

229

230

231

232

- 2. State and local government regulations.
- 3. Intellectual property protection.
- 4. Business plan development.
  - 5. Basic business accounting principles.
  - 6. Available business loans and grants.
  - 7. Employer and employment legal requirements.
  - 8. State and local business taxes.
- 9. Sources of business assistance information, including, but not limited to: state programs; accounting and tax assistance; libraries; incubators; inventors' resources; export and import assistance; and employment and training programs.
- (d) The Network Lead Center within the University of West Florida shall establish within the Network Lead Center a statewide call center, known as the Florida Business Information Center, to serve as a centralized source of general business information and referral to business resources. The call center shall employ professional personnel who are available by telephone and online to assist in answering general business questions and directing inquiries to sources of assistance, including government, institutions of higher education, and private-sector resources.
  - Section 4. 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 and the change in state gross domestic product and the state's disposable personal income resulting from the state's investment. The state's investment includes state grants, tax exemptions, tax refunds, tax credits, and other state incentives.

Section 5. Subsections (2) and (3) of section 288.061, Florida Statutes, are amended to read:

288.061 Economic development incentive application process.—

- 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. For purposes of this requirement, an amended definition of "economic benefits" may be developed by the Office of Economic and Demographic Research.
- (3) Within 10 business days after the department receives  $\underline{a}$   $\underline{complete}$  the submitted economic development incentive application, the executive director shall approve or disapprove the application and issue a letter of certification to the applicant which includes a justification of that decision, unless the business requests an extension of that time.
  - (a) The contract or agreement or contract with the

24-00960D-17 20171110

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 that would apply for failure to meet performance conditions. Any agreement or contract that requires the business to make a capital investment must also require that such investment remain in this state for the duration of the agreement or contract, with the exception of an investment made in transportation-related assets specifically used for the purpose of transporting goods or employees. 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 department may not enter into an agreement or a contract that has a term of more than 10 years. However, the department may enter into a successive agreement or contract for a specific project to extend the initial 10-year term if each successive agreement or contract is contingent upon the successful completion of the previous agreement or contract. This paragraph does not apply to an agreement or a contract for a project receiving a capital investment tax credit under s. 220.191 or an Innovation Incentive Program award under s. 288.1089.
- (c) The department may not make amendments to the agreement or contract which reduce material performance requirements, increase awards, or accelerate payment schedules. Material performance requirements include any requirements that are related to:

1. The number of jobs created or retained;

2. Average wages;

- 3. Capital investment; and
- 4. The length of an agreement or contract.

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

Section 6. Section 288.103, Florida Statutes, is created to read:

288.103 Economic development programs; minimum residency period for awards for projects.—

- (1) The department shall require, in each incentive contract awarded, that each project meet a minimum 3-year residency period. The residency period begins on the date the project last receives a program benefit or payment or at the end of a project's maintenance period, whichever occurs last. The department shall include in each incentive contract specific financial sanctions for failure to meet the residency period requirements.
- (2) This section applies to contracts executed on or after July 1, 2017, for programs under ss. 220.191, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089.

Section 7. Present paragraph (h) of subsection (5) of section 288.1045, Florida Statutes, is redesignated as paragraph (i), and a new paragraph (h) is added to that subsection, to read:

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

(5) ANNUAL CLAIM FOR REFUND.-

24-00960D-17 20171110

(h) A business that fails to timely submit documentation requested by the department, as required by the agreement between the business and the department, which results in the department's withholding an otherwise approved refund may receive the approved refund if:

- 1. The business submits the requested documentation to the department.
- 2. The business provides a written statement to the department explaining the circumstances that resulted in the business' failure to timely submit the documentation.
- $\underline{\mbox{3. Funds appropriated for purposes of this section are}}$  available.
- $\underline{4}$ . The business was scheduled by the terms of the agreement to submit information to the department between January 1, 2014, and December 31, 2014.
- $\underline{\text{5. The business has satisfied all other requirements of the}}$  agreement.
- Section 8. Subsection (7) of section 288.11621, Florida Statutes, is amended to read:
  - 288.11621 Spring training baseball franchises.-
- (7) STRATEGIC PLANNING.—The department shall request assistance from the Florida Sports Foundation Enterprise Florida, Inc., and the Florida Grapefruit League Association to develop a comprehensive strategic plan to:
  - (a) Finance spring training facilities.
- (b) Monitor and oversee the use of state funds awarded to applicants.
- (c) Identify the financial impact that spring training has on the state and ways in which to maintain or improve that

349 impact.

(d) Identify opportunities to develop public-private partnerships to engage in marketing activities and advertise spring training baseball.

- (e) Identify efforts made by other states to maintain or develop partnerships with baseball spring training teams.
- (f) Develop recommendations for the Legislature to sustain or improve this state's spring training tradition.

Section 9. Subsections (4) through (7) are added to section 288.1201, Florida Statutes, to read:

288.1201 State Economic Enhancement and Development Trust Fund.—

- (4) (a) Beginning July 1, 2017, the department shall retain in the trust fund any state funds appropriated by the General Appropriations Act for any program created pursuant to chapter 288 until the performance requirements for incentives under contract or law are submitted to and verified by the department.
- (b) The department shall return to the State Treasury all funds held by any entity pursuant to a contract executed for the Quick Action Closing Fund which are unexpended as of June 30, 2017. Such unexpended funds shall be deposited into the fund from which they were appropriated. The department shall take all steps necessary to comply with this section by September 1, 2017. The department shall notify the Governor and the Legislature of the status of compliance with this section on or before October 1, 2017.
- (5) By January 2 of each year, the department shall provide to the Legislature a list of potential claims that may be filed for payment in the following fiscal year under ss. 288.0659,

24-00960D-17 20171110

378 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089.

(6) By March 1 of each year, the department shall provide to the Legislature a list of actual claims filed for payment in the following fiscal year under ss. 288.0659, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089.

- (7) (a) There is created the Quick Action Closing Fund

  Escrow Account within the State Economic Enhancement and

  Development Trust Fund. The Quick Action Closing Fund Escrow

  Account consists of moneys returned by the department to the

  State Treasury which were held by any entity pursuant to a

  contract executed for the Quick Action Closing Fund and which

  were unexpended as of June 30, 2017, pursuant to subsection (4).
- (b) Moneys in the account may be appropriated to make payments pursuant to agreements or contracts for projects authorized under s. 288.1088 or to make transfers required pursuant to paragraph (d) or paragraph (e). 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.
- (c) The department may make a payment from the account after an independent third party has verified that an applicant has satisfied all of the requirements of an agreement or contract and the department has determined that an applicant meets the required project performance criteria and is eligible to receive a payment.
- (d) The department shall determine within 15 days after the end of each calendar quarter whether moneys in the account are associated with an agreement or contract entered into pursuant to s. 288.1088 which the department has terminated, which has

24-00960D-17 20171110

otherwise expired, or for which the applicant has not met performance conditions required by the agreement or contract.

Any such funds held in the account must be returned to the State Economic Enhancement and Development Trust Fund within 10 days after the determination.

(e) Moneys in the account shall be managed and invested to generate the maximum amount of interest earnings, consistent with the requirement that the moneys be available to make payments as required pursuant to Quick Action Closing Fund contracts or agreements. Notwithstanding s. 17.61(3)(c), the department shall transfer interest earnings on a quarterly basis to the State Economic Enhancement and Development Trust Fund.

Section 10. Notwithstanding the repeal of section 288.1229, Florida Statutes, in section 485 of chapter 2011-142, Laws of Florida, section 288.1229, Florida Statutes, is revived, readopted, and amended to read:

288.1229 Promotion and development of sports-related industries and amateur athletics; direct-support organization <a href="mailto:established">established</a>; powers and duties.—

- (1) The department shall establish a direct-support organization known as the Florida Sports Foundation. The foundation shall The Office of Tourism, Trade, and Economic Development may authorize a direct-support organization to assist the department office in:
- (a) The promotion and development of the sports industry and related industries for the purpose of improving the economic presence of these industries in Florida.
- (b) The promotion of amateur athletic participation for the citizens of Florida and the promotion of Florida as a host for

24-00960D-17 20171110

national and international amateur athletic competitions for the purpose of encouraging and increasing the direct and ancillary economic benefits of amateur athletic events and competitions.

- (c) The retention of professional sports franchises, including the spring training operations of Major League Baseball.
- (2) The Florida Sports Foundation To be authorized as a direct-support organization, an organization must:
- (a) Be incorporated as a corporation not for profit pursuant to chapter 617.
- (b)  $\underline{1.}$  Be governed by a board of directors  $\underline{\text{composed}}$ , which  $\underline{\text{must consist}}$  of  $\underline{20}$  up to  $\underline{15}$  members appointed by the Governor  $\underline{\text{as}}$  follows:
- a. Ten members representing Florida major league franchises of Major League Baseball, the National Basketball Association, the National Football League, the Arena Football League, the National Hockey League, and Major League Soccer teams domiciled in this state.
  - b. A member representing Florida Sports Commissions.
- c. A member representing the boating and fishing industries in this state.
  - d. A member representing the golf industry in this state.
- e. A member representing Major League Baseball spring training.
- $\underline{\text{f. A member representing the auto racing industry in this}}$  state.
- g. Five at-large members and up to 15 members appointed by the existing board of directors. In making at-large appointments, the Governor board must consider a potential

24-00960D-17 20171110

member's background in community service and sports activism in, and financial support of, the sports industry, professional sports, or organized amateur athletics. Members must be residents of the state and highly knowledgeable about or active in professional or organized amateur sports.

- 2. The board must contain representatives of all geographical regions of the state and must represent ethnic and gender diversity. The terms of office of the members is shall be 4 years. No member may serve more than two consecutive terms. The Governor may remove any member for cause and shall fill all vacancies that occur.
- (c) Have as its purpose, as stated in its articles of incorporation, to receive, hold, invest, and administer property; to raise funds and receive gifts; and to promote and develop the sports industry and related industries for the purpose of increasing the economic presence of these industries in Florida.
- (d) Have a prior determination by the <u>department</u> Office of Tourism, Trade, and Economic Development that the organization will benefit the <u>department</u> office and act in the best interests of the state as a direct-support organization to the <u>department</u> office.
- (3) The Florida Sports Foundation shall operate under contract with the department. The department shall enter into a contract with the foundation by July 1, 2017. The contract must provide Office of Tourism, Trade, and Economic Development shall contract with the organization and shall include in the contract that:
  - (a) The department office may review the foundation's

24-00960D-17 20171110

organization's articles of incorporation.

(b) The <u>foundation must</u> <u>organization shall</u> submit an annual budget proposal to the <u>department</u> <u>office</u>, on a form provided by the <u>department</u> <u>office</u>, in accordance with <u>department</u> <u>office</u> procedures for filing budget proposals based upon the recommendation of the department <u>office</u>.

- (c) Any funds that the <u>foundation</u> <del>organization</del> holds in trust will revert to the state upon the expiration or cancellation of the contract.
- (d) The <u>foundation</u> organization is subject to an annual financial and performance review by the <u>department</u> office to determine whether the <u>foundation</u> organization is complying with the terms of the contract and whether it is acting in a manner consistent with the goals of the <u>department</u> office and in the best interests of the state.
- (e) The fiscal year of the <u>foundation begins</u> <del>organization</del> will begin July 1 of each year and <u>ends</u> end June 30 of the next ensuing year.
- (4) Subject to approval of the executive director, the department Office of Tourism, Trade, and Economic Development may allow the foundation organization to use the property, facilities, personnel, and services of the department office if the foundation organization provides equal employment opportunities to all persons regardless of race, color, religion, sex, age, or national origin, subject to the approval of the executive director of the office.
- (5) The <u>foundation</u> organization shall provide for an annual financial audit in accordance with s. 215.981.
  - (6) The foundation organization is not granted any taxing

power.

- (7) In exercising the power provided in this section, the Office of Tourism, Trade, and Economic Development may authorize and contract with the direct-support organization existing on June 30, 1996, and authorized by the former Florida Department of Commerce to promote sports-related industries. An appointed member of the board of directors of such direct-support organization as of June 30, 1996, may serve the remainder of his or her unexpired term.
- (7)(8) To promote amateur sports and physical fitness, the foundation direct-support organization shall:
- (a) Develop, foster, and coordinate services and programs for amateur sports for the people of Florida.
- (b) Sponsor amateur sports workshops, clinics, conferences, and other similar activities.
- (c) Give recognition to outstanding developments and achievements in, and contributions to, amateur sports.
- (d) Encourage, support, and assist local governments and communities in the development of or hosting of local amateur athletic events and competitions.
- (e) Promote Florida as a host for national and international amateur athletic competitions.
- (f) Develop a statewide  $\underline{programs}$   $\underline{program}$  of amateur athletic competition to be known as the  $\underline{"Florida~Senior~Games"}$  and the "Sunshine State Games."
- (g) Continue the successful amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports created under former s. 14.22.

24-00960D-17 20171110

(h) Encourage and continue the use of volunteers in its amateur sports programs to the maximum extent possible.

- (i) Develop, foster, and coordinate services and programs designed to encourage the participation of Florida's youth in Olympic sports activities and competitions.
- (j) Foster and coordinate services and programs designed to contribute to the physical fitness of the citizens of Florida.
- (8) (a) (9) (a) The Sunshine State Games and Florida Senior Games shall be patterned after the Summer Olympics with variations as necessitated by availability of facilities, equipment, and expertise. The games shall be designed to encourage the participation of athletes representing a broad range of age groups, skill levels, and Florida communities. Participants shall be residents of this state. Regional competitions shall be held throughout the state, and the top qualifiers in each sport shall proceed to the final competitions to be held at a site in the state with the necessary facilities and equipment for conducting the competitions.
- (b) The <u>department may</u> Executive Office of the Governor is authorized to permit the use of property, facilities, and personal services of or at any State University System facility or institution by the direct-support organization operating the Sunshine State Games <u>and Florida Senior Games</u>. For the purposes of this paragraph, <u>the term "personal services"</u> personal services includes full-time or part-time personnel as well as payroll processing.

Section 11. Section 288.1259, Florida Statutes, is created to read:

288.1259 The Start-Up Florida Grant Program. -

24-00960D-17 20171110

(1) CREATION; PURPOSE.—The Start-Up Florida Grant Program is created within the department to assist in the creation and expansion of innovative small commercial enterprises by providing grant funding to qualified small business incubators throughout the state which provide adequate physical space designed, and programs intended, to increase or accelerate small business success in this state.

- (2) DEFINITIONS.—As used in this section, the term:
- (a) "Business incubator" means a facility that offers space, the shared use of equipment and work areas, daily management support services essential to high-quality commercial operations, and technical assistance to startups and expanding firms.
- (b) "Qualified small business incubator" means a business incubator that is:
- 1. Qualified as a nonprofit organization pursuant to s. 501(c)(3) of the Internal Revenue Code or that consists of a partnership between an organization qualified as nonprofit pursuant to s. 501(c)(3) of the Internal Revenue Code and a governmental or quasi-governmental agency;
- 2. Focused on developing small businesses in an economically distressed or disadvantaged area; and
  - 3. Structured around a sound business plan.
- (3) START-UP FLORIDA GRANT PROGRAM.—Subject to appropriation, the Start-Up Florida Grant Program shall provide startup and operating assistance to qualified small business incubators.
- (a) The department shall award grants to qualified small business incubators for:

24-00960D-17 20171110

610 1. Construction and equipment costs, up to a maximum of \$5
611 million per grant recipient;

- 2. Provision of technical assistance to small businesses, up to a maximum of \$1 million per year per grant recipient; and (b) The department shall:
- 1. Develop rules for the award of grants, including an annual application process and criteria related to organizational capacity, community need, and the availability of other economic development resources. The department shall require as a condition of eligibility for a grant award that an applicant:
- a. Provide matching funds or in-kind contributions at least equal to the grant requested, to be used for the cost of preparing space and work areas, obtaining equipment, and providing daily management support services essential to high-quality commercial operations and technical assistance to startups and expanding firms; and
- b. Show that it has the resources to complete the tasks specified in sub-subparagraph a. in a timely manner and that the state grant is not the sole source of funds;
- 2. Accept and receive grants, gifts, and pledges of funds for the support of the Start-Up Florida Grant Program, which shall be deposited into the small business incubator account within the State Enhancement and Economic Development Trust Fund; and
- 3. Integrate the promotion of small business incubators as economic development tools in its strategic plan adopted pursuant to s. 20.60(5).
  - Section 12. Paragraphs (a) and (b) of subsection (5) of

640

641

642

643

644

645

646

647 648

649

650651

652

653

654

655

656

657

658

659

660

661

662

663

664

665

666

667

24-00960D-17 20171110

section 288.901, Florida Statutes, are amended to read:

288.901 Enterprise Florida, Inc.-

- (5) APPOINTED MEMBERS OF THE BOARD OF DIRECTORS.-
- (a) In addition to the Governor or his or her designee, the board of directors shall consist of the following appointed members:
  - 1. The Commissioner of Education or his or her designee.
  - 2. The Chief Financial Officer or his or her designee.
  - 3. The Attorney General or his or her designee.
  - 4. The Commissioner of Agriculture or his or her designee.
- 5. The chairperson of the board of directors of CareerSource Florida, Inc.
  - 6. The Secretary of State or his or her designee.
- 7. A representative of the rural economic development community.
- 8. A representative of the Small Business Development Center Network.
- 9.7. Twelve members from the private sector, six of whom shall be appointed by the Governor, three of whom shall be appointed by the President of the Senate, and three of whom shall be appointed by the Speaker of the House of Representatives. Members appointed by the Governor are subject to Senate confirmation.
- (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

24-00960D-17 20171110

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, and <u>rural</u> economic development <del>sports marketing</del>.

Section 13. Subsection (1) and paragraph (c) of subsection (2) of section 288.9015, Florida Statutes, are amended to read:

288.9015 Powers of Enterprise Florida, Inc.; board of directors.—

- (1) Enterprise Florida, Inc., shall integrate its efforts in business recruitment and expansion, job creation, marketing the state for tourism, and sports, and promoting economic opportunities for minority-owned businesses and promoting economic opportunities for rural and distressed urban communities with those of the department, to create an aggressive, agile, and collaborative effort to reinvigorate the state's economy.
- (2) The board of directors of Enterprise Florida, Inc., may:
- (c) Make and enter into contracts and other instruments necessary or convenient for the exercise of its powers and functions. A contract executed by Enterprise Florida, Inc., with a person or organization under which such person or organization agrees to perform economic development services or similar business assistance services on behalf of the state or Enterprise Florida, Inc., or the state must include provisions requiring a performance report on the contracted activities and must account for the proper use of funds provided under the contract, coordinate with other components of state and local

24-00960D-17 20171110

economic development systems, and avoid duplication of existing state and local services and activities. A contract executed with a person or an organization by Enterprise Florida, Inc., must be approved by a two-thirds vote of the board of directors of Enterprise Florida, Inc., if:

- 1. The person or one or more employees, agents, officers, directors, shareholders, principals, or consultants of the person or the organization are members of the board of directors; or
- 2. One or more employees, agents, officers, directors, shareholders, principals, or consultants of an affiliate or subsidiary of the person or the organization are members of the board of directors.

A member of the board of directors of Enterprise Florida, Inc., affiliated with a person or organization as provided in subparagraph 1. or subparagraph 2. must abstain from voting on such contract.

Section 14. Paragraph (c) is added to subsection (2) of section 288.904, Florida Statutes, to read:

288.904 Funding for Enterprise Florida, Inc.; performance and return on the public's investment.—

(2)

(c) For any fiscal year in which private sector cash support in operating Enterprise Florida, Inc., and its divisions does not equal at least 100 percent of the state operational funding, Enterprise Florida, Inc., may not receive 100 percent of the state operational funding. Instead, Enterprise Florida, Inc., shall receive the larger of:

24-00960D-17 20171110

1. Fifty percent of the state operational funding appropriated; or

2. State operational funding in an amount equal to private sector support.

Section 15. Subsection (1) of section 288.905, Florida Statutes, is amended, and subsection (5) is added to that section, to read:

288.905 President and employees of Enterprise Florida, Inc.-

- (1) The board of directors of Enterprise Florida, Inc., shall appoint a president, subject to confirmation by the Senate, who shall serve at the pleasure of the Governor. The president shall also be known as the "secretary of commerce" and shall serve as the Governor's chief negotiator for business recruitment and business expansion.
- (5) Enterprise Florida, Inc., may award an employee incentive payments for reaching a goal or obtaining a specified result. However, such goal or result must be quantifiable, measurable, and verifiable. An employee may not earn an incentive payment based on a projected or unconfirmed result. In addition, Enterprise Florida, Inc., may not award any employee an incentive payment for a result related to a contract requiring a two-thirds vote under s. 288.9015(2)(c).

Section 16. Section 288.9938, Florida Statutes, is created to read:

288.9938 Repeal.—This part is repealed July 1, 2020, unless reviewed and saved from repeal by the Legislature.

Section 17. The Division of Law Revision and Information is directed to add s. 288.9938, Florida Statutes, created by this

24-00960D-17 20171110

act, to part XIV of chapter 288, Florida Statutes.

Section 18. 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; and
  - (d) Minority Business Development.; and
  - (e) Sports Industry Development.

Section 19. Paragraph (a) of subsection (6), paragraph (b) of subsection (9), paragraph (a) of subsection (35), subsection (60), and paragraph (b) of subsection (64) of section 320.08058, Florida Statutes, are amended to read:

320.08058 Specialty license plates.-

- (6) FLORIDA UNITED STATES OLYMPIC COMMITTEE LICENSE PLATES.—
- (a) Because the United States Olympic Committee has selected this state to participate in a combined fundraising program that provides for one-half of all money raised through volunteer giving to stay in this state and be administered by the Florida Sports Foundation Enterprise Florida, Inc., to support amateur sports, and because the United States Olympic Committee and the Florida Sports Foundation Enterprise Florida, Inc., are nonprofit organizations dedicated to providing

24-00960D-17 20171110

athletes with support and training and preparing athletes of all ages and skill levels for sports competition, and because the Florida Sports Foundation Enterprise Florida, Inc., assists in the bidding for sports competitions that provide significant impact to the economy of this state, and the Legislature supports the efforts of the United States Olympic Committee and the Florida Sports Foundation Enterprise Florida, Inc., the Legislature establishes a Florida United States Olympic Committee license plate for the purpose of providing a continuous funding source to support this worthwhile effort. Florida United States Olympic Committee license plates must contain the official United States Olympic Committee logo and must bear a design and colors that are approved by the department. The word "Florida" must be centered at the top of the plate.

- (9) FLORIDA PROFESSIONAL SPORTS TEAM LICENSE PLATES.-
- (b) The license plate annual use fees are to be annually distributed as follows:
- 1. Fifty-five percent of the proceeds from the Florida Professional Sports Team plate must be deposited into the Professional Sports Development Trust Fund within the Department of Economic Opportunity. These funds must be used solely to attract and support major sports events in this state. As used in this subparagraph, the term "major sports events" means, but is not limited to, championship or all-star contests of Major League Baseball, the National Basketball Association, the National Football League, the National Hockey League, Major League Soccer, the men's and women's National Collegiate Athletic Association championships Final Four basketball

814

815

816

817

818

819

820

821

822823

824

825

826

827

828

829

830

831

832

833

834

835

836

837

838

839

840

841

24-00960D-17 20171110

championship, or a horseracing or dogracing Breeders' Cup. All funds must be used to support and promote major sporting events, and the uses must be approved by the Department of Economic Opportunity.

- 2. The remaining proceeds of the Florida Professional Sports Team license plate must be allocated to the Florida Sports Foundation Enterprise Florida, Inc. These funds must be deposited into the Professional Sports Development Trust Fund within the Department of Economic Opportunity. These funds must be used by the Florida Sports Foundation Enterprise Florida, Inc., to promote the economic development of the sports industry; to distribute licensing and royalty fees to participating professional sports teams; to promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards; to partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement; to institute a grant program for communities bidding on minor sporting events that create an economic impact for the state; to distribute funds to Florida-based charities designated by the Florida Sports Foundation Enterprise Florida, Inc., and the participating professional sports teams; and to fulfill the sports promotion responsibilities of the Department of Economic Opportunity.
- 3. <u>Pursuant to s. 288.1229(5)</u>, the Florida Sports

  <u>Foundation</u> Enterprise Florida, Inc., shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent certified public

24-00960D-17 20171110

accountant pursuant to the contract established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

- 4. Notwithstanding the provisions of subparagraphs 1. and 2., proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of the Florida Sports Foundation Enterprise Florida, Inc., and financial support of the Sunshine State Games and Florida Senior Games.
  - (35) FLORIDA GOLF LICENSE PLATES.-
- (a) The Department of Highway Safety and Motor Vehicles shall develop a Florida Golf license plate as provided in this section. The word "Florida" must appear at the bottom of the plate. The Dade Amateur Golf Association, following consultation with the PGA TOUR, the Florida Sports Foundation Enterprise Florida, Inc., the LPGA, and the PGA of America may submit a revised sample plate for consideration by the department.
  - (60) FLORIDA NASCAR LICENSE PLATES.-
- (a) The department shall develop a Florida NASCAR license plate as provided in this section. Florida NASCAR license plates must bear the colors and design approved by the department. The word "Florida" must appear at the top of the plate, and the term "NASCAR" must appear at the bottom of the plate. The National Association for Stock Car Auto Racing, following consultation with the Florida Sports Foundation Enterprise Florida, Inc., may submit a sample plate for consideration by the department.
  - (b) The license plate annual use fees shall be distributed

24-00960D-17 20171110

to the Florida Sports Foundation Enterprise Florida, Inc. The license plate annual use fees shall be annually allocated as follows:

- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Florida Sports Foundation Enterprise Florida, Inc., for the administration of the NASCAR license plate program.
- 2. The National Association for Stock Car Auto Racing shall receive up to \$60,000 in proceeds from the annual use fees to be used to pay startup costs, including costs incurred in developing and issuing the plates. Thereafter, 10 percent of the proceeds from the annual use fees shall be provided to the association for the royalty rights for the use of its marks.
- 3. The remaining proceeds from the annual use fees shall be distributed to the Florida Sports Foundation Enterprise Florida, Inc., Inc. The Florida Sports Foundation Enterprise Florida, Inc., will retain 15 percent to support its regional grant program, attracting sporting events to Florida; 20 percent to support the marketing of motorsports-related tourism in the state; and 50 percent to be paid to the NASCAR Foundation, a s. 501(c)(3) charitable organization, to support Florida-based charitable organizations.
- (c) <u>Pursuant to s. 288.1229(5)</u>, the Florida Sports

  <u>Foundation</u> <u>Enterprise Florida</u>, <u>Inc.</u>, shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent certified public accountant pursuant to the contract established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for

24-00960D-17 20171110

review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

- (64) FLORIDA TENNIS LICENSE PLATES.-
- (b) The department shall distribute the annual use fees to the Florida Sports Foundation Enterprise Florida, Inc. The license plate annual use fees shall be annually allocated as follows:
- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Florida Sports Foundation Enterprise Florida, to administer the license plate program.
- 2. The United States Tennis Association Florida Section Foundation shall receive the first \$60,000 in proceeds from the annual use fees to reimburse it for startup costs, administrative costs, and other costs it incurs in the development and approval process.
- 3. Up to 5 percent of the proceeds from the annual use fees may be used for promoting and marketing the license plates. The remaining proceeds shall be available for grants by the United States Tennis Association Florida Section Foundation to nonprofit organizations to operate youth tennis programs and adaptive tennis programs for special populations of all ages, and for building, renovating, and maintaining public tennis courts.
  - Section 20. This act shall take effect July 1, 2017.