A bill to be entitled
An act relating to economic development and tourism
promotion accountability; amending s. 11.45, F.S.;
authorizing the Auditor General to audit certain
accounts and records; creating ss. 288.0751 and
288.12261, F.S.; providing definitions; providing
requirements for the operation of economic development
agencies and tourism promotion agencies, respectively;
requiring specified persons to file an annual
disclosure of certain interests; providing
requirements for such disclosure; requiring board
members to serve without compensation; authorizing per
diem and travel expenses for certain persons paid from
specified funds; prohibiting specified persons from
receiving public compensation in excess of a certain
amount; prohibiting certain performance bonuses and
severance pay; subjecting certain persons to a
specified code of ethics; requiring such agencies to
take certain actions regarding a significant potential
conflict of interest; limiting lodging expenses for
certain persons; providing an exception; prohibiting
the expenditure of agency funds on certain items;
prohibiting specified persons from accepting certain
items from specified entities; prohibiting a tourism
promotion agency from expending funds that directly
benefit only one business entity; requiring certain contracts to include specified information; requiring a governing body of a local governmental entity to publish certain proposed contracts on such entity's website and approve certain contracts; requiring such agencies to submit a report of financial data to a governing board of a county; specifying that certain records are public records; requiring such agencies to provide online access to certain information; prohibiting such agencies from receiving or expending public funds; requiring the Auditor General to conduct certain audits; authorizing the Governor or Chief Financial Officer to cease distributing certain tax revenues to certain noncompliant tourism promotion agencies; providing that it is unlawful to knowingly and willfully make false or misleading statements, provide false or misleading information, fail to report certain information, or purposefully avoid specified requirements; providing penalties; providing applicability; amending s. 125.0104, F.S.; requiring the governing board of a county to review certain proposed contracts and certifications relating to potential conflicts of interest and mitigation plans; requiring the governing board of a county that imposes a tourist development tax to provide online access to
certain information; amending ss. 288.1226 and 
288.904, F.S.; revising financial data required to be 
included in an annual report; conforming provisions to 
changes made by the act; providing an effective date.

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

Section 1. Paragraphs (y) and (z) are added to subsection 
(3) of section 11.45, Florida Statutes, to read:

11.45 Definitions; duties; authorities; reports; rules.—
(3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The 
Auditor General may, pursuant to his or her own authority, or at 
the direction of the Legislative Auditing Committee, conduct 
audits or other engagements as determined appropriate by the 
Auditor General of:

(y) The accounts and records pertaining to the use of 
funds from a tax imposed pursuant to s. 125.0104, s. 125.0108, 
or s. 212.0305 for tourism development or promotion by a local 
governmental entity, nonprofit organization, or for-profit 
organization, including a tourism promotion agency as defined in 
s. 288.12261 or a program or entity created by a tourism 
promotion agency.

(z) The accounts and records pertaining to:

1. An economic development agency of a county or 
municipality, including an economic development agency as
defined in s. 288.0751 or a program or entity created by an economic development agency;

2. If the county or municipality does not have an economic development agency, the county or municipal officers or employees assigned to promote the general business interests, industrial interests, or related responsibilities of the county or municipality; or

3. If authorized by the state, a municipality, or a county to promote the general business interests, industrial interests, or related responsibilities of the state, municipality, or county, a private agency, person, partnership, corporation, or business entity.

Section 2. Section 288.0751, Florida Statutes, is created to read:

288.0751 Local economic development agencies.—

(1) DEFINITION.—For purposes of this section, the term "economic development agency" means an entity, including, but not limited to, an agency as defined in s. 119.011, that receives public funds and is engaged in economic development activities on behalf of one or more local governmental entities.

(a) An economic development agency may include any local governmental entity or any entity under contract with one or more local governmental entities to promote economic development activities on behalf of such local governmental entity or entities through the expenditure of public funds.
(b) Enterprise Florida, Inc., and the Department of Economic Opportunity are not considered economic development agencies.

(2) OPERATION.—An economic development agency must operate in accordance with the following:

(a) Each officer and member of the board of directors of an economic development agency who is not otherwise required to file a financial disclosure pursuant to chapter 112 must file an annual disclosure describing the nature of his or her interests or the nature of the interests of his or her principals, including corporate parents and subsidiaries of his or her principals, when such interests benefit from the expenditure of economic development agency funds. The disclosure must be placed on the website of the economic development agency and included in the minutes of each meeting of the board of directors of the economic development agency when such expenditures are discussed or voted upon.

(b) Board members shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses pursuant to s. 112.061. Such expenses must be paid out of funds of the economic development agency.

(c) Officers, employees, or agents, including the president or chief executive officer, may not receive compensation for employment from public funds, pursuant to such contract, that exceeds the salary and benefits authorized to be
paid to the Governor. Any payments of performance bonuses or
severance pay to officers, employees, or agents from public
funds are prohibited unless specifically authorized by law.

(d) An economic development agency must comply with the
per diem and travel expense provisions of s. 112.061.

(e) Officers and employees are subject to the Code of
Ethics for Public Officers and Employees standards under s.
112.313.

(f) An economic development agency must avoid, neutralize,
or mitigate significant potential organizational conflicts of
interest before it enters into a contract. If the economic
development agency elects to mitigate a significant potential
organizational conflict of interest, an adequate mitigation
plan, including organizational, physical, and electronic
barriers, shall be developed and the head of the economic
development agency must certify that the award is in the best
interests of the county and submit such certification to the
governing board of the county within 3 business days after
entering into the contract.

(g) Lodging expenses for an employee or board member may
not exceed $150 per day, excluding taxes, unless the economic
development agency is participating in a negotiated group rate
discount or the economic development agency provides
documentation of at least three comparable alternatives
demonstrating that such lodging at the required rate is not
available. However, an employee or board member may expend his or her own funds for any lodging expenses in excess of $150 per day.

(h) Economic development agency funds may not be expended for food, beverages, lodging, entertainment, or gifts for employees or board members, unless authorized pursuant to s. 112.061 or this section. Employees or board members may not accept or receive food, beverages, lodging, entertainment, or gifts from persons, vendors, or other entities doing business with the economic development agency unless such food, beverage, lodging, entertainment, or gift is available to similarly situated members of the general public.

(3) TRANSPARENCY.—

(a) All contracts entered into by an economic development agency shall include:

1. The purpose of the contract.
2. Specific performance standards and responsibilities for each entity.
3. A detailed project or contract budget, if applicable.
4. The value of any services provided.
5. The projected travel and entertainment expenses for employees and board members, if applicable.

(b) A proposed contract with an estimated total contract value of $250,000 or more must be submitted to the governing body of the local governmental entity on whose behalf the
contracted activity will occur and published on such entity's website at least 14 days before the contract is executed. If the governing body of the local governmental entity rejects such proposed contract by a majority vote held during the 14-day period, the economic development agency may not execute such proposed contract or any substantially similar contract without obtaining a majority vote of the governing body of the local governmental entity in favor of such contract. An economic development agency may not enter into multiple related contracts to avoid the requirements of this paragraph.

(c)1. An economic development agency shall submit to the governing board of the county, within 30 days after the end of its fiscal year, a complete and detailed report setting forth all public and private financial data of the economic development agency, and shall publish such report on its website.

2. The financial data shall include:
   a. The total amount of revenue received from public and private sources.
   b. The operating budget.
   c. The total amount of salary, benefits, and other compensation provided by the economic development agency to its officers, employees, or agents, regardless of the funding source.
d. An itemized account of all expenditures, including all travel and entertainment expenditures.

(d) The following information must be posted on the website of each economic development agency:

1. All contracts with a total contract value of $5,000 or more. Such contracts must be posted within 5 business days after execution.

2. All contracts, information, and financial data submitted to the governing board of the county. Such contracts, information, and data must be posted within 5 business days after submission.

3. Video recordings of each board meeting. Such recordings must be posted within 3 business days after the meeting.

4. A detailed report of expenditures following each marketing event paid for with economic development agency funds. Such report must be posted within 10 business days after the event.

5. An annual itemized account of the total amount of funds spent by a third party on behalf of the economic development agency, its board members, or its employees.

6. An annual itemized account of the total amount of travel and entertainment expenditures.

(e) Notwithstanding any provision of law to the contrary, a record required under this section, including, but not limited to, a contract or agreement, is a public record and is not
confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such record shall be produced in full in accordance with this section or upon request.

(f) An economic development agency shall maintain and provide online access to all of the information required under this subsection. Each economic development agency shall provide the Department of Economic Opportunity with the specific website address where the required information is published and maintained online, and the Department of Economic Opportunity shall publish and maintain a single online directory which lists each economic development agency and the specific website address where such required information may be located.

(g) An economic development agency that fails to comply with the transparency and accountability requirements of this subsection may not receive or expend public funds until it becomes fully compliant.

(4) AUDITS.—The Auditor General shall annually select at least two economic development agencies that received public funds in the previous year and conduct audits, as defined in s. 11.45, to verify that funds were expended as required by this section and to verify that transparency and accountability requirements were met. If the Auditor General determines that funds were not expended as required by this section, he or she shall immediately report such findings to the Governor, the
President of the Senate, and the Speaker of the House of Representatives.

(5) PENALTIES.—It is unlawful for a person to knowingly and willfully make a materially false or misleading statement, provide false or misleading information, fail to report certain information, or structure an organization or agreement to avoid the requirements of this section. A person who violates this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(6) APPLICABILITY.—A private entity that meets the definition of an economic development agency under subsection (1) due solely to the existence of a contract between the private entity and an economic development agency to engage in economic development activities is required to comply with this section only in connection with the performance of its obligations and the expenditure of funds pursuant to such contract. This section shall not be construed to require the private entity to report or conform its other business practices or activities to the provisions of this section, provided such practices or activities are not directly related to or funded by such contract.

Section 3. Section 288.12261, Florida Statutes, is created to read:

288.12261 Tourism promotion agencies.—
(1) DEFINITION.—For purposes of this section, the term "tourism promotion agency" means an entity, including, but not limited to, an agency as defined in s. 119.011, that receives public funds to promote tourism development on behalf of one or more local governmental entities.

(a) A tourism promotion agency may include any local governmental entity or any entity under contract with one or more local governmental entities to promote tourism development on behalf of such local governmental entity or entities through the expenditure of public funds.

(b) For purposes of this section, the Florida Tourism Industry Marketing Corporation and the Department of Economic Opportunity are not considered tourism promotion agencies.

(2) OPERATION.—A tourism promotion agency must operate in accordance with the following:

(a) Each officer and member of the board of directors of a tourism promotion agency who is not otherwise required to file a financial disclosure pursuant to chapter 112 must file an annual disclosure describing the nature of his or her interests or the interests of his or her principals, including corporate parents and subsidiaries of his or her principal, when such interests benefit from the expenditure of tourism promotion agency funds. The disclosure must be placed on the website of the tourism promotion agency and included in the minutes of each meeting of
the board of directors of the tourism promotion agency when such
expenditures are discussed or voted upon.

(b) Board members shall serve without compensation, but
are entitled to receive reimbursement for per diem and travel
expenses pursuant to s. 112.061. Such expenses must be paid out
of funds of the tourism promotion agency.

(c) Officers, employees, or agents, including the
president or chief executive officer, may not receive
compensation for employment from public funds, pursuant to such
contract, that exceeds the salary and benefits authorized to be
paid to the Governor. Any payments of performance bonuses or
severance pay to officers, employees, or agents from public
funds are prohibited unless specifically authorized by law.

(d) A tourism promotion agency must comply with the per
diem and travel expense provisions of s. 112.061.

(e) Officers and employees are subject to the Code of
Ethics for Public Officers and Employees standards under s.
112.313.

(f) A tourism promotion agency must avoid, neutralize, or
mitigate significant potential organizational conflicts of
interest before it enters into a contract. If the tourism
promotion agency elects to mitigate a significant potential
organizational conflict of interest, an adequate mitigation
plan, including organizational, physical, and electronic
barriers, shall be developed and the head of the tourism
promotion agency must certify that the award is in the best interests of the county and submit such certification to the governing board of the county within 3 business days after entering into the contract.

(g) Lodging expenses for an employee or board member may not exceed $150 per day, excluding taxes, unless the tourism promotion agency is participating in a negotiated group rate discount or the tourism promotion agency provides documentation of at least three comparable alternatives demonstrating that such lodging at the required rate is not available. However, an employee or board member may expend his or her own funds for any lodging expenses in excess of $150 per day.

(h) Tourism promotion agency funds may not be expended for food, beverages, lodging, entertainment, or gifts for employees or board members, unless authorized pursuant to s. 112.061 or this section. Employees or board members may not accept or receive food, beverages, lodging, entertainment, or gifts from persons, vendors, or other entities doing business with the tourism promotion agency unless such food, beverage, lodging, entertainment, or gift is available to similarly situated members of the general public.

(i) A tourism promotion agency shall not expend public or private funds that directly benefit only one business entity.

(3) TRANSPARENCY.—
(a) All contracts entered into by a tourism promotion agency shall include:

1. The purpose of the contract.
2. Specific performance standards and responsibilities for each entity.
3. A detailed project or contract budget, if applicable.
4. The value of any services provided.
5. The projected travel and entertainment expenses for employees and board members, if applicable.

(b) A proposed contract with an estimated total contract value of $250,000 or more must be submitted to the governing board of the county and published on the county's website at least 14 days before the contract is executed. If the governing board of the county rejects such proposed contract by a majority vote held during the 14-day period, the tourism promotion agency may not execute such proposed contract or any substantially similar contract without obtaining a majority vote of the governing body of the county in favor of such contract. A tourism promotion agency may not enter into multiple related contracts to avoid the requirements of this paragraph.

(c) 1. A tourism promotion agency shall submit to the governing board of the county, within 30 days after the end of its fiscal year, a complete and detailed report setting forth all public and private financial data of the tourism promotion agency, and shall publish such report on its website.
2. The financial data shall include:
   a. The total amount of revenue received from public and private sources.
   b. The operating budget.
   c. The total amount of salary, benefits, and other compensation provided by the tourism promotion agency to its officers, employees, or agents, regardless of the funding source.
   d. An itemized account of all expenditures, including all travel and entertainment expenditures.
   
   (d) The following information must be posted on the website of each tourism promotion agency:
   1. All contracts with a total contract value of $5,000 or more. Such contracts must be posted within 5 business days after execution.
   2. All contracts, information, and financial data submitted to the governing board of the county. Such contracts, information, and data must be posted within 5 business days after submission.
   3. Video recordings of each board meeting. Such recordings must be posted within 3 business days after the meeting.
   4. A detailed report of expenditures following each marketing event paid for with the funds of the tourism promotion agency. Such report must be posted within 10 business days after the event.
5. An annual itemized account of the total amount of funds spent by a third party on behalf of the tourism promotion agency, its board members, or its employees.

6. An annual itemized account of the total amount of travel and entertainment expenditures.

(e) Notwithstanding any provision of law to the contrary, a record required under this section, including, but not limited to, a contract or agreement, is a public record and is not confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such record shall be produced in full in accordance with this section or upon request.

(f) A tourism promotion agency shall maintain and provide online access to all of the information required under this subsection and s. 125.0104(4)(f). Each tourism promotion agency shall provide the Department of Economic Opportunity with the specific website address where the required information is published and maintained online, and the Department of Economic Opportunity shall publish and maintain a single online directory which lists each tourism promotion agency and the specific website address where such required information may be located.

(g) A tourism promotion agency that fails to comply with the transparency and accountability requirements of this subsection may not receive or expend public funds until it becomes fully compliant.

(4) AUDITS.—
(a) For any county that annually receives $30,000,000 or more from taxes imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305, the Auditor General shall, biennially, conduct an audit, as defined in s. 11.45, of all tourism promotion agencies in such county to verify that funds were expended as required by this section and to verify that transparency and accountability requirements were met. If the Auditor General determines that funds were not expended as required by this section, he or she shall immediately notify the Department of Revenue, which may pursue recovery of the funds under the laws and rules governing the assessment of taxes.

(b) The Auditor General shall annually select at least two counties that in the previous year received less than $30,000,000 from taxes imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305 and conduct audits, as defined in s. 11.45, of all tourism promotion agencies in the county to verify that funds were expended as required by this section and to verify that transparency and accountability requirements were met. If the Auditor General determines that funds were not expended as required by this section, he or she shall immediately notify the Department of Revenue, which may pursue recovery of the funds under the laws and rules governing the assessment of taxes.

(5) ENFORCEMENT.—The Governor or Chief Financial Officer may at any time order the Department of Revenue or the local
official to whom the tax is remitted to cease and desist
distributing any taxes levied under s. 125.0104, s. 125.0108, or
s. 212.0305 based on a tourism promotion agency's failure to
comply with this section.

(6) PENALTIES.—It is unlawful for a person to knowingly
and willfully make a materially false or misleading statement,
provide false or misleading information, fail to report certain
information, or structure an organization or agreement to avoid
the requirements of this section. A person who violates this
section commits a misdemeanor of the first degree, punishable as
provided in s. 775.082 or s. 775.083.

(7) APPLICABILITY.—A private entity that meets the
definition of a tourism promotion agency under subsection (1)
due solely to the existence of a contract between the private
entity and a tourism promotion agency to promote tourism
development is required to comply with this section only in
connection with the performance of its obligations and the
expenditure of funds pursuant to such contract. This section
shall not be construed to require the private entity to report
or conform its other business practices or activities to the
provisions of this section, provided such practices or
activities are not directly related to or funded by such
contract.
Section 4. Paragraph (e) of subsection (4) of section 125.0104, Florida Statutes, is amended, and paragraph (f) is added to that subsection, to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(4) ORDINANCE LEVY TAX; PROCEDURE.—

(e) The governing board of each county which levies and imposes a tourist development tax under this section shall appoint an advisory council to be known as the "...(name of county)... Tourist Development Council." The council shall be established by ordinance and composed of nine members who shall be appointed by the governing board. The chair of the governing board of the county or any other member of the governing board as designated by the chair shall serve on the council. Two members of the council shall be elected municipal officials, at least one of whom shall be from the most populous municipality in the county or subcounty special taxing district in which the tax is levied. Six members of the council shall be persons who are involved in the tourist industry and who have demonstrated an interest in tourist development, of which members, not less than three nor more than four shall be owners or operators of motels, hotels, recreational vehicle parks, or other tourist accommodations in the county and subject to the tax. All members of the council shall be electors of the county. The governing board of the county shall have the option of designating the
chair of the council or allowing the council to elect a chair.
The chair shall be appointed or elected annually and may be
reelected or reappointed. The members of the council shall serve
for staggered terms of 4 years. The terms of office of the
original members shall be prescribed in the resolution required
under paragraph (b). The council shall meet at least once each
quarter and, from time to time, shall make recommendations to
the county governing board for the effective operation of the
special projects or for uses of the tourist development tax
revenue and perform such other duties as may be prescribed by
county ordinance or resolution. The council shall continuously
review expenditures of revenues from the tourist development
trust fund and shall receive, at least quarterly, expenditure
reports from the county governing board or its designee.
Expenditures which the council believes to be unauthorized shall
be reported to the county governing board and the Department of
Revenue. The governing board and the department shall review the
findings of the council and take appropriate administrative or
judicial action to ensure compliance with this section. The
county governing board shall review a proposed contract with an
estimated total contract value of $250,000 or more. The county
governing board may reject such proposed contract by a majority
vote before the execution of such contract. The county governing
board must review all certifications by the head of a tourism
promotion agency related to potential conflicts of interest and
mitigation plans. The changes in the composition of the
membership of the tourist development council mandated by
chapter 86-4, Laws of Florida, and this act shall not cause the
interruption of the current term of any person who is a member
of a council on October 1, 1996.

(f) The governing board of a county that levies and
imposes a tourist development tax under this section shall
publish and make the following information available online:

1. The approved tourist development plan, including the
approximate cost or expense allocation for each specific project
or special use.

2. Any substantial amendments to the tourist development
plan.

3. The tax district in which the tourist development tax
is levied.

4. A prioritized list of the proposed uses of the tax
revenue by specific project or special use.

5. The quarterly expenditure reports from the county
governing board or its designee.

Section 5. Paragraph (c) of subsection (13) of section
288.1226, Florida Statutes, is amended to read:

288.1226 Florida Tourism Industry Marketing Corporation;
use of property; board of directors; duties; audit.—

(13) TRANSPARENCY.—
(c)1. Any entity that in the previous fiscal year received more than 50 percent of its revenue from the corporation or taxes imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305, and that partners with the corporation or participates in a program, cooperative advertisement, promotional opportunity, or other activity offered by or in conjunction with the corporation, shall annually on July 1 report all public and private financial data to the Governor, the President of the Senate, and the Speaker of the House of Representatives and include such report on its website.

2. The financial data shall include:
   a. The total amount of revenue received from public and private sources.
   b. The operating budget of the partner entity.
   c. The total amount of salary, benefits, and other compensation provided by the entity to its officers, employees, board members, or agents, regardless of the funding source.
   Employee and board member salary and benefit details from public and private funds.
   d. An itemized account of all expenditures, including all travel and entertainment expenditures, by the partner entity on the behalf of, or coordinated for the benefit of, the corporation, its board members, or its employees.
   e. Itemized travel and entertainment expenditures of the partner entity.
Section 6. Paragraph (c) of subsection (6) of section 288.904, Florida Statutes, is amended to read:

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

(6)

(c)1. Any entity that in the previous fiscal year received more than 50 percent of its revenue from Enterprise Florida, Inc., or a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305, and that partners with Enterprise Florida, Inc., in a program or other activity offered by or in conjunction with Enterprise, Florida, Inc., shall annually on July 1 report all public and private financial data to the Governor, the President of the Senate, and the Speaker of the House of Representatives, and include such report on its website.

2. The financial data shall include:

a. The total amount of revenue received from public and private sources.

b. The operating budget of the partner entity.

c. The total amount of salary, benefits, and other compensation provided by the entity to its officers, employees, board members, or agents, regardless of the funding source.

Employee and board member salary and benefit details from public and private funds.

d. An itemized account of all expenditures, including all travel and entertainment expenditures, by the partner entity on
the behalf of, or coordinated for the benefit of, Enterprise Florida, Inc., its board members, or its employees.

e. Itemized travel and entertainment expenditures of the partner entity.

Section 7. This act shall take effect July 1, 2018.