

By the Committees on Rules; Governmental Oversight and Accountability; and Commerce and Tourism; and Senator Mayfield

595-04237-20

2020666c3

1 A bill to be entitled
2 An act relating to the Florida Development Finance
3 Corporation; amending s. 20.60, F.S.; requiring the
4 executive director of the Department of Economic
5 Opportunity to serve as a member of the board of
6 directors of the Florida Development Finance
7 Corporation; authorizing the executive director to
8 designate a department employee to serve in this
9 capacity; requiring that the annual report of the
10 corporation be incorporated into the department's
11 annual report on the condition of the business climate
12 and economic development in the state; requiring the
13 department to develop performance standards for the
14 corporation and to include certain information
15 relating to the standards in the department's annual
16 report; amending s. 288.9604, F.S.; revising the
17 membership of the board of directors of the
18 corporation; requiring that the director of the
19 Division of Bond Finance of the State Board of
20 Administration, or his or her designee, serve on the
21 board of directors of the corporation; making
22 conforming changes; authorizing meetings of the
23 directors to be conducted by teleconference; providing
24 for future repeals; requiring the chair and vice chair
25 of the board of directors of the corporation to serve
26 as regular members of the board after a specified
27 date; providing construction; amending s. 288.9605,
28 F.S.; providing for the electronic execution and
29 delivery of certain documents executed by the

595-04237-20

2020666c3

30 corporation; amending s. 288.9606, F.S.; prohibiting
31 certain bonds, notes, and other forms of indebtedness
32 from exceeding a specified amount of time; specifying
33 that certain bonds are payable solely from certain
34 revenues; providing requirements for such bonds;
35 amending s. 288.9610, F.S.; revising the entities to
36 which the corporation is required to submit an annual
37 report containing specified information; creating s.
38 288.9619, F.S.; requiring that certain conflicts of
39 interest be publicly disclosed to the corporation and
40 set forth in the corporation's minutes; prohibiting a
41 director with a conflict of interest from taking
42 certain actions; providing an effective date.

43
44 Be It Enacted by the Legislature of the State of Florida:

45
46 Section 1. Paragraph (c) is added to subsection (9) of
47 section 20.60, Florida Statutes, and paragraph (b) of subsection
48 (10) and subsection (11) of that section are amended, to read:

49 20.60 Department of Economic Opportunity; creation; powers
50 and duties.—

51 (9) The executive director shall:

52 (c) Serve as a member of the board of directors of the
53 Florida Development Finance Corporation. The executive director
54 may designate an employee of the department to serve in this
55 capacity.

56 (10) The department, with assistance from Enterprise
57 Florida, Inc., shall, by November 1 of each year, submit an
58 annual report to the Governor, the President of the Senate, and

595-04237-20

2020666c3

59 the Speaker of the House of Representatives on the condition of
60 the business climate and economic development in the state.

61 (b) The report must incorporate annual reports of other
62 programs, including:

63 1. Information provided by the Department of Revenue under
64 s. 290.014.

65 2. Information provided by enterprise zone development
66 agencies under s. 290.0056 and an analysis of the activities and
67 accomplishments of each enterprise zone.

68 3. The Economic Gardening Business Loan Pilot Program
69 established under s. 288.1081 and the Economic Gardening
70 Technical Assistance Pilot Program established under s.
71 288.1082.

72 4. A detailed report of the performance of the Black
73 Business Loan Program and a cumulative summary of quarterly
74 report data required under s. 288.714.

75 5. The Rural Economic Development Initiative established
76 under s. 288.0656.

77 6. The Florida Unique Abilities Partner Program.

78 7. A detailed report of the performance of the Florida
79 Development Finance Corporation and a summary of the
80 corporation's report required under s. 288.9610.

81 (11) The department shall establish annual performance
82 standards for Enterprise Florida, Inc., CareerSource Florida,
83 Inc., the Florida Tourism Industry Marketing Corporation, ~~and~~
84 Space Florida, and the Florida Development Finance Corporation
85 and report annually on how these performance measures are being
86 met in the annual report required under subsection (10).

87 Section 2. Subsections (2), (3), and (4) of section

595-04237-20

2020666c3

88 288.9604, Florida Statutes, are amended, and subsection (5) is
89 added to that section, to read:

90 288.9604 Creation of the authority.—

91 (2) The board of directors of the corporation shall consist
92 of seven directors. The executive director of the department, or
93 his or her designee, shall serve as chair of the board of
94 directors of the corporation. The director of the Division of
95 Bond Finance of the State Board of Administration, or his or her
96 designee, shall serve as a director of the board of directors of
97 the corporation. The Governor, subject to confirmation by the
98 Senate, shall appoint the remaining five directors of the board
99 of directors of the corporation, ~~who shall be five in number.~~
100 The terms of office for the appointed directors shall be for 4
101 years from the date of their appointment. A vacancy occurring
102 during a term of an appointed director shall be filled for the
103 unexpired term. A director shall be eligible for reappointment.
104 At least three of the appointed directors of the corporation
105 shall have experience in finance ~~be bankers who have been~~
106 ~~selected by the Governor from a list of bankers who were~~
107 ~~nominated by Enterprise Florida, Inc.,~~ and one of the directors
108 shall have experience in ~~be an~~ economic development ~~specialist.~~

109 (3) (a) 1. A director may not receive compensation for his or
110 her services, but is entitled to necessary expenses, including
111 travel expenses, incurred in the discharge of his or her duties.
112 Each appointed director shall hold office until his or her
113 successor has been appointed.

114 2. Directors are subject to ss. 112.313(1)-(8), (10), (12),
115 and (15); 112.3135; and 112.3143(2). For purposes of applying
116 ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and

595-04237-20

2020666c3

117 112.3143(2) to activities of directors, directors shall be
118 considered public officers and the corporation shall be
119 considered their agency.

120 (b) The powers of the corporation shall be exercised by the
121 directors thereof. A majority of the directors constitutes a
122 quorum for the purposes of conducting business and exercising
123 the powers of the corporation and for all other purposes.

124 Meetings of the directors may be conducted by teleconference.

125 Action may be taken by the corporation upon a vote of a majority
126 of the directors present, unless in any case the bylaws require
127 a larger number. Any person may be appointed as director if he
128 or she resides, or is engaged in business, which means owning a
129 business, practicing a profession, or performing a service for
130 compensation or serving as an officer or director of a
131 corporation or other business entity so engaged, within the
132 state.

133 (c) The directors of the corporation shall annually elect,
134 by a majority vote, one of their members as ~~chair and one as~~
135 vice chair. The corporation may employ a president, technical
136 experts, and such other agents and employees, permanent and
137 temporary, as it requires and determine their qualifications,
138 duties, and compensation. For such legal services as it
139 requires, the corporation may employ or retain its own counsel
140 and legal staff.

141 (4) The board may remove an appointed a director for
142 inefficiency, neglect of duty, or misconduct in office. Such
143 director may be removed only after a hearing and only if he or
144 she has been given a copy of the charges at least 10 days before
145 such hearing and has had an opportunity to be heard in person or

595-04237-20

2020666c3

146 by counsel. The removal of a director shall create a vacancy on
147 the board which shall be filled pursuant to subsection (2).

148 (5) This section is repealed July 1, 2023, and July 1 of
149 every fourth year thereafter, unless reviewed and saved from
150 repeal by the Legislature.

151 Section 3. In order to implement the changes made by this
152 act to s. 288.9604, Florida Statutes, the chair and vice chair
153 of the board of directors of the Florida Development Finance
154 Corporation as of June 30, 2020, shall serve as regular members
155 beginning July 1, 2020. Nothing in this act may be construed to
156 affect the terms of the directors serving on the board on July
157 1, 2020.

158 Section 4. Subsection (3) is added to section 288.9605,
159 Florida Statutes, to read:

160 288.9605 Corporation powers.—

161 (3) Documents, agreements, and instruments executed by the
162 corporation may be executed and delivered in accordance with the
163 Electronic Signature Act of 1996.

164 Section 5. Subsections (1) and (2) of section 288.9606,
165 Florida Statutes, are amended to read:

166 288.9606 Issue of revenue bonds.—

167 (1) When authorized by a public agency pursuant to s.
168 163.01(7), the corporation has power in its corporate capacity,
169 in its discretion, to issue revenue bonds or other evidences of
170 indebtedness which a public agency has the power to issue, from
171 time to time to finance the undertaking of any purpose of this
172 act, including, without limiting the generality thereof, the
173 payment of principal and interest upon any advances for surveys
174 and plans or preliminary loans, and has the power to issue

595-04237-20

2020666c3

175 refunding bonds for the payment or retirement of bonds
176 previously issued. Bonds issued pursuant to this section shall
177 bear the name "Florida Development Finance Corporation Revenue
178 Bonds." The security for such bonds may be based upon such
179 revenues as are legally available. In anticipation of the sale
180 of such revenue bonds, the corporation may issue bond
181 anticipation notes and may renew such notes from time to time,
182 but the maximum maturity of any such note, including renewals
183 thereof, may not exceed 5 years from the date of issuance of the
184 original note. Such notes shall be paid from any revenues of the
185 corporation available therefor and not otherwise pledged or from
186 the proceeds of sale of the revenue bonds in anticipation of
187 which they were issued. Any bond, note, or other form of
188 indebtedness issued pursuant to this act may not exceed 35 years
189 from their respective dates of issuance shall mature no later
190 than the end of the 30th fiscal year after the fiscal year in
191 which the bond, note, or other form of indebtedness was issued.

192 (2) Bonds issued under this section do not constitute an
193 indebtedness within the meaning of any constitutional or
194 statutory debt limitation or restriction, and are not subject to
195 the provisions of any other law or charter relating to the
196 authorization, issuance, or sale of bonds. Bonds issued under
197 ~~the provisions of~~ this act are declared to be for an essential
198 public and governmental purpose. Bonds issued under this act,
199 ~~the interest on which is exempt from income taxes of the United~~
200 ~~States,~~ together with interest thereon and income therefrom, are
201 exempted from all taxes, except those taxes imposed by chapter
202 220, on interest, income, or profits on debt obligations owned
203 by corporations. Bonds issued under this part are not a debt,

595-04237-20

2020666c3

204 liability, or obligation of the state or any subdivision
205 thereof, or a pledge of faith and credit of the corporation or
206 of the state or of any such political subdivision thereof, but
207 are payable solely from the revenues provided therefor. Each
208 bond issued under this part shall contain on the face thereof a
209 statement to the effect that the corporation is not obligated to
210 pay the same or interest thereon from the revenues and proceeds
211 pledged therefor, and that the faith and credit or the taxing
212 power of the corporation or of the state or of any political
213 subdivision thereof is not pledged to the payment of the
214 principal of or the interest on such bonds.

215 Section 6. Section 288.9610, Florida Statutes, is amended
216 to read:

217 288.9610 Annual reports of Florida Development Finance
218 Corporation.—On or before 90 days after the close of the Florida
219 Development Finance Corporation's fiscal year, the corporation
220 shall submit to the Governor, the Legislature, the Auditor
221 General, the Department of Economic Opportunity, and the
222 governing body of each public entity for which the corporation
223 issues revenue bonds pursuant to s. 288.9606 or with which it
224 has entered into an interlocal agreement a complete and detailed
225 report setting forth:

226 (1) The results of any audit conducted pursuant to s.
227 11.45.

228 (2) The activities, operations, and accomplishments of the
229 Florida Development Finance Corporation, including the number of
230 businesses assisted by the corporation.

231 (3) Its assets, liabilities, income, and operating expenses
232 at the end of its most recent fiscal year, including a

595-04237-20

2020666c3

233 description of all of its outstanding revenue bonds.

234 Section 7. Section 288.9619, Florida Statutes, is created
235 to read:

236 288.9619 Conflicts of interest.—If any director has a
237 direct or indirect interest associated with any party to an
238 application on which the corporation has taken or will take
239 action in exercising its power for the issuance of revenue bonds
240 or other evidences of indebtedness, such interest must be
241 publicly disclosed to the corporation and set forth in the
242 minutes of the corporation. The director that has such interest
243 may not participate in any action by the corporation with
244 respect to such party and application.

245 Section 8. This act shall take effect July 1, 2020.