A bill to be entitled

An act relating to the agreement for best practices in economic development; creates the Agreement For Best Practices In Economic Development; providing definitions; providing findings; establishing the National Board for Best Practices in Economic Development; specifying membership of the board; specifying procedures for electing officers and establishing rules and procedures; requiring the board to publish specified material regarding best practices in economic development; requiring the board to suggest annual revisions to the agreement; requiring the board to collect testimony related to economic development improvements; prohibiting member states from offering or providing company-specific tax incentives or company-specific grants for specified purposes; providing exceptions; specifying that economic development agreements are subject to the member state's public records laws; prohibiting local agencies from entering into specified economic development agreements that are exempt from the member state's public records laws; requiring member states to provide electronic copies of specified documents; providing procedures for withdrawing from the agreement; providing for liberal construction;

providing for severability under specified circumstances; providing a contingent effective date.

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

Section 1. The Agreement for Best Practices in Economic Development is hereby enacted and entered into by this state with all other jurisdictions legally joining therein in the form substantially as follows:

AGREEMENT FOR BEST PRACTICES IN ECONOMIC DEVELOPMENT

ARTICLE I

Title

This act shall be known as and cited to as the "Agreement for Best Practices in Economic Development."

ARTICLE II

Definitions

As used in this agreement, unless the context clearly indicates otherwise, the following terms have the following meanings:

(1) "Best practices" means the policies, procedures, and laws that have been demonstrated to support the most amount of economic growth with the least amount of taxpayer investment.

(2) "Board" means the Board for Best Practices in Economic Development that may be established by the member states. Nonvoting membership shall be open to any city, county, municipality, metropolitan planning organization, special district, community development district, or economic development agency under terms established by the board.

(3) "Company-specific grant" means any disbursement of funds whether property, cash, or deferred tax liability by the state or a local agency to a particular company.

(4) "Company-specific tax incentive" is any change in the general tax rate or valuation offered or presented to a specific company that is not available to other similarly-situated companies.

(5) "Corporate giveaway" means any company-specific or industry-specific disbursement of funds whether property, cash, or deferred or a reduced tax liability by a state or local agency to a particular company or industry.

(6) "Local agency" means a city, county, municipality, metropolitan planning organization, special district, community development district, or economic development agency.

(7) "Located in any other member state" means any

corporate headquarters, office space, manufacturing facility, or other real estate development that is physically located in another member state, whether or not the company has other property in the member state.

(8) "Member state" means any state or the District of Columbia that has enacted a statute agreeing to this agreement.

(9) "Nonvoting member" means any city, county, municipality, metropolitan planning organization, special district, community development district, or economic development agency that wishes to join the board. A nonvoting member may not appoint a voting member to the board for governance purposes.

ARTICLE III

Findings

The member states find that:

(1) Corporate giveaways are among the least effective uses of taxpayer dollars to create and maintain jobs.

(2) Local and state leaders are in a prisoners' dilemma in which it is in the public interest to create a level playing field for all companies without any corporate giveaways, but each level of government has an incentive to subsidize a company, generating a race to the bottom.

(3) Governments should attract and retain entrepreneurs and companies based on general conditions, including modern infrastructure, an educated workforce, a clean environment, and a favorable tax and regulatory climate, not based on a specific grant for a particular company.

(4) Corporate giveaways fuel business inequality since the largest businesses receive the vast majority of these funds.

(5) Entrepreneurs and companies have a legitimate right to determine the optimal site selection plans for future growth and to provide decision-makers that all the relevant information is among the most important tasks for economic development officials.

(6) Despite enormous amounts of publicly-generated data and federally-required planning reports from several different agencies, it remains difficult for entrepreneurs and companies to access relevant, actionable information to assist them in their planning decisions.

(7) State and local agencies tasked with economic development would benefit from a shared resource devoted to discovering and disseminating best practices to help officials implement policies and programs that benefit all entrepreneurs and companies equally rather than relying on company-specific giveaways that only benefit a few.

(8) A board for best practices in economic development charged with finding consensus around best practices in economic

development for states and local agencies to consider implementing in a collaborative manner will assist state and local agencies in escaping from the prisoners' dilemma of company-specific tax expenditures and grants and assist in implementing a level playing field for all companies.

ARTICLE IV

National Board for Best Practices in Economic Development

(1) This agreement establishes a national board for best practices in economic development. The chief executive officer of each member state shall appoint three members to the board. State legislators may be appointed as members.

(2) The board shall accept nonvoting members from nonmember states and from any local agency that wishes to join the board under the terms established by the board.

(3) The board may publish a schedule of dues for member states and nonvoting members.

(4) The board shall convene at least annually, either remotely or in person, to elect officers from its membership and to establish rules and procedures for its governance.

(5) The board shall:

(a) Publish and disseminate a national shared resource of best practices in economic development to move away from company-specific tax expenditures and company-specific grants and move toward collaborative policies that equally assist all communities, entrepreneurs, and companies. The board shall accept and publish all planning and economic development reports submitted to it by member states and nonvoting members.

(b) Suggest revisions to this agreement in December of every year to strengthen the agreement for member and nonmember states. Suggested revisions should support member states in moving toward evidence-based economic development policies and away from company-specific expenditures.

(6) The board shall collect testimony from all interested parties, including academic and subject matter experts, companies, organizations, and local agencies, and associations representing state legislators and governors on how to improve economic development and strengthen this agreement.

ARTICLE V

Anti-poaching Prohibition

A member state may not offer or provide any company-specific tax incentive or company-specific grant to any company for a corporate headquarters, manufacturing facility, office space, or other real estate development located in any other member state to induce the company to relocate its corporate headquarters, manufacturing facility, office space or other real estate development to the offering member state.

ARTICLE VI

Exclusions

(1) Workforce development grants to train employees are not subject to this agreement.

(2) Company-specific tax incentives or company-specific grants from local agencies are not subject to this agreement.

(3) Company-specific tax incentives or company-specific grants from states to companies for corporate headquarters, office space, manufacturing facilities, or real estate developments located within its own state are not subject to this agreement.

ARTICLE VII

Transparency

(1) All proposed and existing economic development agreements from any jurisdiction in any member state by a local agency is subject to the member state's public records laws. A local agency may not enter into an economic development

agreement that involves any company-specific tax incentive or company-specific grant with any company that is not public and is exempt from the member state's public records laws.

(2) All products and resources of the board are public and shall be published and accessible on a website.

ARTICLE VIII

Data and Report Sharing

In order to assist the board in compiling and publishing the national shared resource for economic development, each member state shall provide to the board electronic copies of all economic development and planning reports generated as part of federal or state programmatic activities.

ARTICLE IX

Withdrawal

A member state may withdraw from this agreement with 6 months' notice and shall do so in writing to the chief executive officer of every other member state to the agreement.

ARTICLE X

Enforcement

The chief law enforcement officer of each member state shall enforce this agreement.

ARTICLE XI

Construction and Severability

(1) This agreement shall be liberally construed to effectuate its purposes.

(2) If any phrase, clause, sentence, or provision of this compact, or the applicability of any phrase, clause, sentence, or provision of this agreement to any government, local agency, person, or circumstance is declared in a final judgment by a court of competent jurisdiction to be contrary to the constitution of the United States or is otherwise held invalid, the validity of the remainder of this agreement and the applicability of the remainder of this agreement to any government, local agency, person, or circumstance will not be affected.

(3) If this agreement is held to be contrary to the constitution of any member state, the agreement shall remain in full force and effect as to the remaining member states and

shall remain in full force and effect as to the affected member state related to all severable matters.

Section 2. This act shall take effect upon the adoption of the agreement by two or more states.