

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Fiscal Policy

BILL: CS/CS/CS/SB 1664

INTRODUCER: Fiscal Policy Committee; Appropriations Committee on Transportation, Tourism, and Economic Development Committee; Commerce and Tourism Committee; and Senator Hooper

SUBJECT: Economic Programs

DATE: April 26, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Renner</u>	<u>McKay</u>	<u>CM</u>	<u>Fav/CS</u>
2.	<u>Nortelus</u>	<u>Jerrett</u>	<u>ATD</u>	<u>Fav/CS</u>
3.	<u>Renner</u>	<u>Yeatman</u>	<u>FP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/CS/SB 1664 eliminates Enterprise Florida, Inc. (EFI), and provides that all duties, functions, records, existing contracts, administrative authority, and unexpended balances of appropriations and allocations relating to the programs in EFI are transferred by a type two transfer to the Department of Commerce, which the bill creates by the renaming of the Department of Economic Opportunity (DEO). Duties related to international trade and development are transferred to a new direct-support organization under the department. The transition must be complete by December 1, 2023. The bill appropriates \$5 million to the new international trade direct support organization; \$5 million and 20 FTE to DEO; and \$2 million to EFI to implement the transition.

The bill repeals the following obsolete or expired economic development incentive programs: Entertainment Industry Tax Credit; Corporate income tax credits for spaceflight projects; Qualified defense contractor and space flight business tax refund program; Tax refund for qualified target industry businesses; Economic Gardening Business Loan Pilot Program; Economic Gardening Technical Assistance Pilot Program; Quick Action Closing Fund; Innovation Incentive Program; Florida Small Business Technology Growth Program; New Markets Tax Credit; Microfinance Loan Program; Quick Action Closing Fund; Golf Hall of Fame; and International Game Fish Association World Center facility. Existing contracts authorized under programs remain in force; new certifications or agreements may not be made.

The bill also renames the Division of Strategic Business Development as the Division of Economic Development, and eliminates the Film Advisory Council. The bill requires the Florida Sports Foundation (recreated in the bill) and VISIT Florida to contract with the department as direct-support organizations of the department.

The bill also makes numerous conforming and technical changes.

Except as otherwise provided in the bill, it has an effective date of July 1, 2023.

II. Present Situation:

Department of Economic Opportunity

The Department of Economic Opportunity (DEO) is tasked with assisting 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.¹ The DEO must also ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.²

To achieve these goals, the Legislature established seven divisions and offices within the DEO:

- Strategic Business Development
- Community Development
- Workforce Services
- Finance and Administration
- Division of Information Technology
- Office of the Secretary
- Office of Economic Accountability and Transparency³

The seven divisions and offices help fulfill the DEO's statutorily mandated responsibilities, which include:

- Facilitating the direct involvement of the Governor and the Lieutenant Governor in economic development and workforce development projects designed to create, expand, and retain businesses in Florida, to recruit business from around the world, and to facilitate other job-creating efforts.
- Recruiting new businesses to this state and promote the expansion of existing businesses by expediting permitting and location decisions, worker placement and training, and incentive awards.
- Promoting viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.

¹ Section 20.60(4), F.S.

² OPPAGA, *Program Summary: Department of Economic Opportunity*, available at <https://oppaga.fl.gov/ProgramSummary/ProgramDetail?programNumber=6101> (last visited March 24, 2023).

³ Section 20.60(3), F.S.

- Ensuring that the state’s goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.
- Managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs in areas including, but not limited to, tourism; international trade and investment; business recruitment, creation, retention, and expansion; minority and small business development; rural community development; and the development and promotion of professional and amateur sporting events.
- Coordinating with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval.⁴

The Secretary may create offices within the Office of the Secretary and within the divisions to promote efficient and effective operation of the DEO.⁵

Enterprise Florida, Inc.

Enterprise Florida, Inc., (EFI) is a nonprofit corporation established by the Legislature to serve as the state’s main economic development organization.⁶ EFI is required to enter into a performance-based contract with DEO, which includes annual measurements of the performance of EFI.⁷ The corporation is responsible for:

- Marketing the state as a pro-business location for new investment and as a tourist destination;
- Advancing international and domestic trade opportunities;
- Providing support to small and minority-owned businesses;
- Assisting, promoting, and enhancing economic opportunities in the state's rural and urban communities;
- Advocating for Florida's military bases and administering defense grants; and
- Promotion and development of professional, amateur, recreational sports, and physical fitness opportunities.⁸

EFI has the following duties:

- Responsibly and prudently manage all public and private funds received, and ensure that the use of such funds is in accordance with all applicable laws, bylaws, or contractual requirements;
- Administer certain entities and programs;
- Prepare an annual report;

⁴ Section 20.60(4), F.S.

⁵ Section 20.60(3)(b), F.S.

⁶ Section 288.901, F.S. Chapter 92-277, Laws of Fla., created EFI, while ch. 96-320, Laws of Fla, established EFI as a public-private partnership.

⁷ Section 20.60(11), F.S., requires DEO to “establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met.”

⁸ Office of Program Policy Analysis and Governmental Accountability, *Enterprise Florida, Inc.*, available at <https://oppaga.fl.gov/ProgramSummary/BackPageDetail?programNumber=6112&backPageNumber=03> (last visited April 24, 2023).

- Prepare, in conjunction with DEO, an annual incentives report;
- Assist DEO with the development of an annual and a long-range strategic business blueprint for economic development;
- In coordination with CareerSource Florida, Inc., identify education and training programs that will ensure that Florida businesses have access to a skilled and competent workforce necessary to compete successfully in the domestic and global marketplace;
- Submit all proposed contracts with a cost in excess of a specified amount in accordance with the notice and review procedures required in statute;
- Not create or establish any other entity unless authorized by law; and
- Comply with per diem and travel expense provisions.⁹

At a minimum, EFI is required to have divisions related to:

- International Trade and Business Development;
- Business Retention and Recruitment;
- Tourism Marketing;
- Minority Business Development; and
- Sports Industry Development.¹⁰

EFI is governed by a board of directors, of which the Governor serves as chairperson. The board of directors biennially elects one of its members as vice chairperson.¹¹ Including the Governor or his or her designee, the board of directors of EFI is comprised of twenty members: seven from the public sector and twelve from the private sector.¹² The eight members of the board from the public sector include the following: the Governor or the Governor's designee; the Commissioner of Education or his or her designee; the Chief Financial Officer or his or her designee; the Attorney General or his or her designee; the Commissioner of Agriculture or his or her designee; the chairperson of the board of directors for CareerSource Florida, Inc.; the Secretary of State or his or her designee; and the Secretary of Economic Opportunity or his or her designee.¹³

Of the twelve members from the private sector, the Governor appoints six¹⁴ and the President of the Senate and Speaker of the Florida House of Representatives each appoint three. Such members are appointed to four year terms and must include at least one director for each of the following areas of expertise:¹⁵ international business; tourism marketing; the space or aerospace industry; managing or financing a minority-owned business; manufacturing; finance and accounting; and sports marketing. In addition, the President of the Senate must appoint a member of the Senate and the Speaker of the House must appoint a member of the House of Representatives, both of which serve as ex officio members.¹⁶ The board must meet at least four times each year, upon the call of the chairperson, at the request of the vice chairperson, or at the

⁹ Section 299.903, F.S.

¹⁰ Section 288.92(1), F.S.

¹¹ Section 288.901(4), F.S.

¹² Section 288.901(5), F.S.

¹³ *Id.*

¹⁴ Members appointed by the Governor are subject to Senate confirmation. Section 288.901(5)(a), F.S.

¹⁵ Section 288.901(5)(b), F.S.

¹⁶ Section 288.901(7), F.S.

request of a majority of the membership. A majority of the total number of current voting members constitutes a quorum.¹⁷

Florida law directs the board of directors to “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.”¹⁸ To that end, Florida law authorizes the Board to:

- Secure funding for its programs and activities from federal, state, local, and private sources and from fees charged for services and published materials;
- Solicit, receive, hold, invest, and administer any grant, payment, or gift of funds or property and make expenditures;
- Make and enter into contracts and other instruments necessary or convenient with its powers and functions;
- Elect or appoint officers, employees, and agents as required for its activities and for its divisions;
- Carry forward any unexpended state appropriations into succeeding fiscal years;
- Create and dissolve advisory councils, working groups, task forces, or other similar organizations, as necessary to carry out its mission;
- Establish an executive committee consisting of the chairperson or a designee, the vice chairperson, and as many additional members of the board of directors as the board deems appropriate (with a minimum of five members);
- Sue and be sued, and appear and defend all actions and proceedings;
- Adopt, use, and alter a common corporate seal for EFI and its divisions;
- Adopt, amend, and repeal bylaws;
- Acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses, royalties, and other rights or interests;
- Use the state seal when appropriate for standard corporate identity applications; and
- Procure insurance or require bond against any loss in connection with the property of EFI.¹⁹

As a public-private partnership, EFI is expected to obtain private sector support to help pay for its operational costs. The Legislature provides an annual appropriation to EFI for its operations. According to state law, the agency’s legislative appropriations must be matched with private sector support equal to at least 100 percent of state operational funding.²⁰ Under state law, private sector support includes:

- Cash given directly to EFI for its operations, including contributions from at-large members of the board of directors;
- Cash donations from organizations assisted by EFI’s divisions;
- Cash jointly raised by EFI, private local economic development organizations, a group of such organizations, or a statewide private business organization that supports collaborative projects;

¹⁷ Section 288.901(8), F.S.

¹⁸ Section 288.9015(1), F.S.

¹⁹ Section 288.9015(2), F.S.

²⁰ Section 288.904(2)(a), F.S.

- Cash generated by fees charged for products or services of EFI and its divisions by sponsorship of events, missions, programs, and publications; and
- Copayments, stock, warrants, royalties, or other private resources dedicated to EFI or its divisions.²¹

In 2016, the Office of Program Policy Analysis and Government Accountability (OPPAGA) published a report indicating that EFI's state funding has always exceeded private sector funding.²² Based on EFI's audited financial statements for Fiscal Year 2021-22, EFI received: \$1,865,000 in private investment contributions; \$1,405,918 in event revenue; and \$1,153,795 in other income.²³ EFI's total state appropriation for Fiscal Year 2021-22 was \$14,400,000.²⁴

International Offices Program

Section 288.012, F.S., establishes the International Offices Program to promote foreign direct investment. Current law authorizes DEO to contract with EFI to carry out the program.²⁵ EFI maintains 18 international offices locations in 15 different countries.²⁶

EFI utilizes the international offices to: identify potential opportunities for investment in Florida; promote Florida for foreign direct investment; facilitate partnerships with local suppliers and distributors; and provide market specific information to Florida businesses.²⁷ A recent study by OPPAGA indicates that during the review period, EFI's international offices reported generating \$333.8 million in foreign direct investment from 121 projects.²⁸

Florida Sports Foundation

EFI is responsible for assisting and marketing professional and amateur sports teams and sporting events in Florida and is required to create a division to carry out such responsibility.²⁹ The Florida Sports Foundation, Inc. (FSF) is a 501(c)(3) non-profit corporation, serving as the official sports promotion and development organization for the State of Florida. It is charged with the promotion and development of professional, amateur, and recreational sports, physical fitness opportunities, and assisting communities and host organizations in attracting major and minor sports events to help produce a thriving Florida sports industry and environment.

The 1989, the Legislature provided that the Office of Tourism, Trade, and Economic Development (OTTED) could authorize a "direct support organization" to assist the office with a number of sports related responsibilities. The direct-support organization that ultimately fulfilled such role was the FSF.

²¹ Section 288.904(2)(b), F.S.

²² OPPAGA Report No. 16-09, *supra* n. 8.

²³ *Enterprise Florida, Inc. and Consolidated Entities, Consolidated Financial Statements*, p.5, available at <https://www.enterpriseflorida.com/about/transparency/> (last visited April 24, 2023).

²⁴ General Appropriations Act of 2022 (HB 5001).

²⁵ Section 288.012(6), F.S.

²⁶ OPPAGA, *Florida Economic Development Program Evaluations – Year 9*, p. 80 (December 2021), available at <https://oppaga.fl.gov/Documents/Reports/21-09.pdf> (last visited April 24, 2023).

²⁷ *Id.* at 81.

²⁸ *Id.* at 85.

²⁹ Sections 288.901 and 288.9015, F.S.

In 2011, when Florida lawmakers reorganized certain governmental agencies to create the DEO (which, among other responsibilities, took over the operations of OTTED), the statute providing for the direct support organization (s. 288.1229, F.S.) was repealed.³⁰ EFI continued as the official sports promotion and development organization for the state and the FSF is currently housed within EFI and serves as EFI's Division of Sports Industry Development. The FSF's stated mission is to:

- Provide grants to support sporting events that bring out-of-state visitors to Florida;
- Produce and distribute annual golf, fishing and boating, and baseball spring training guides for both in-state and out-of-state tourists; and
- Organize the annual Sunshine State Games, an Olympic-style festival for Floridians of all ages, and the Florida Senior Games State Championships for senior athletes, age 50 and over.³¹

Division of Tourism Marketing and Florida Tourism Industry Marketing Corporation

EFI's Division of Tourism Marketing is the entity created through statute that interacts and contracts with its direct support organization,³² the Florida Tourism Industry Marketing Corporation. The Florida Tourism Industry Marketing Corporation was created by the legislature in 1996 and is otherwise known by the service mark "VISIT Florida," which operates as a non-profit corporation that serves as Florida's statewide destination marketing organization, representing the state's tourism industry.³³ In practice, VISIT Florida (VF) is EFI's Division of Tourism Marketing. The division is staffed by VF, and the staff is not employed by EFI.³⁴

VF's primary responsibilities include:

- Administering domestic and international advertising campaigns;
- Coordinating domestic and international marketing activities;
- Coordinating marketing efforts with local tourism marketing organizations;
- Managing Florida's four welcome centers;
- Conducting research on tourism and travel trends;
- Administering marketing activities for Veterans Florida;³⁵ and
- Marketing to assist the state following critical events, such as storms.³⁶

Through a contractual relationship with the DEO, VF is held to various performance measures and standards. VF's 31-member board of directors is appointed by DEO, in conjunction with

³⁰ Ch. 2011-142, Laws of Fla.

³¹ Florida Sports Foundation, *ABOUT US*, available at <https://playinflorida.com/about-us/> (last visited April 24, 2023).

³² "Direct support organization" means a not-for-profit Florida corporation incorporated under the provisions of chapter 617, F.S., and authorized by Florida law to exist as a direct support organization to benefit or provide assistance to a governmental entity. See State of Florida Auditor General, *Audits of Certain Nonprofit Organizations*, Rules of the Auditor General (Jun. 30, 2022), available at https://flauditor.gov/pages/pdf_files/10_700.pdf (last visited April 24, 2023).

³³ Section 288.1226, F.S. The fictitious name "VISIT FLORIDA" is registered with the Department of State, registration no. G18000088414.

³⁴ Section 288.923(5), F.S.

³⁵ Veterans Florida is a non-profit corporation created by the State of Florida to help military veterans transition to civilian life and to promote Florida's status as the nation's most veteran-friendly state. See Veterans Florida, *About Us*, available at <https://www.veteransflorida.org/about/> (last visited April 24, 2023).

³⁶ Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 8*, 13 (December 2020), available at <https://oppaga.fl.gov/Documents/Reports/20-08.pdf> (last visited April 24, 2023).

EFI, and meets three times a year to provide guidance, input, and insight to VF, and work directly with VF executive staff.³⁷ VF is required to develop a four-year marketing plan³⁸ for the state which addresses issues such as the continuation of tourism growth in Florida, expansion to new or underrepresented markets, coordination with local and private sector partners on tourism advertising, and emergency response to disasters from a marketing standpoint.³⁹

As a public-private partnership, VF is required to obtain private sector contributions to match public contributions. Eligible matching contributions come from four categories:

- Direct cash contributions;
- Fees for services;
- Cooperative advertising, which is limited to partner expenditures for paid media placement and actual market value of contributed products, air time, and print space; and
- In-kind contributions, which is limited to the actual market value of promotional contributions of partner-supplied benefits or of non-partner supplied airtime or print space.⁴⁰

Entertainment Industry

Office of Film and Entertainment

The Office of Film and Entertainment (OFE) within the DEO develops, markets, promotes, and provides services to Florida's entertainment industry, including serving as a liaison between the industry and government entities and facilitating access to filming locations.⁴¹ The Commissioner of Film and Entertainment is selected through a national search and must meet certain qualifications. The OFE is assisted by the Florida Film and Entertainment Advisory Council (council), which is composed of seventeen members, of which seven members are appointed by the Governor, and five members each are appointed by the President of the Senate and the Speaker of the House of Representatives.⁴²

The OFE gathers statistical information related to the state's entertainment industry; provides information and services to businesses, communities, organizations, and individuals engaged in entertainment industry activities; administers field offices outside the state; and coordinates with regional offices maintained by counties and regions of the state. The OFE is also required to develop a five-year strategic plan to guide its activities, which is updated on an annual basis and aligns with the DEO's Strategic Plan for Economic Development. The OFE's mission is to build, support, and market the entertainment industry in Florida.

Entertainment Industry Financial Incentive Program

The Entertainment Industry Financial Incentive Program (incentive program) was created to encourage the use of Florida as a site for filming, for the digital production of films, and to develop and sustain the workforce and infrastructure for film, digital media, and entertainment

³⁷ Section 288.92(1), F.S.

³⁸ This plan is annual in construction and ongoing in nature. *See* s. 288.923(4)(c), F.S.

³⁹ Section 288.923(4)(c), F.S.

⁴⁰ Section 288.1226(6), F.S.

⁴¹ Section 288.1251, F.S.; *See also* Florida Office of Film & Entertainment, available at <http://filminflorida.com/> (last visited April 24, 2023).

⁴² Section 288.1252, F.S.

production.⁴³ The incentive program offered transferrable tax credits for qualified expenditures relating to filming and media production activities in Florida, including wages, equipment, rentals, and other expenditures made to Florida vendors for qualified entertainment industry productions. Qualified productions that completed their projects and had their expenses verified by the OFE could receive 20 percent of their qualified expenditures in tax credits, capped at \$8 million in tax credits awarded per project.⁴⁴ Recipients were permitted to apply their tax credits to their corporate income taxes, sales taxes, or both; alternately, recipients could sell their tax credits on the market or back to the state at a reduced rate.⁴⁵

The incentive program began on July 1, 2010, and sunset on June 30, 2016.⁴⁶

Over the six-year period, a total of \$296 million in tax credits were authorized. Annual limitations for tax credits were set at:

- \$53.5 million in Fiscal Year 2010-11;
- \$74.5 million in Fiscal Year 2011-12; and
- \$42 million in each Fiscal Year 2012-13, 2013-14, 2014-15, and 2015-16.⁴⁷

Qualified Target Industry Business Tax Refund

The Qualified Target Industry (QTI) Tax Refund Program was established in 1995 to attract new high quality, high wage jobs for Floridians.⁴⁸ Tax refunds are made to qualifying, pre-approved businesses creating new jobs within Florida's target industries. All QTI projects include a performance-based contract with the state, which outlines specific milestones that must be achieved and verified by the state prior to payment of refunds. Unless waived by the DEO, 20 percent of the award must come from the local city or county government in which the project is located.⁴⁹

A project must propose to create at least ten new jobs, or in the case of a business expansion, must result in a net increase in employment of at least 10 percent at that business. The jobs proposed to be created or retained must pay an average annual wage of at least 115 percent of the average private sector wage in the area where the business is located, or the statewide private sector average wage. The amount of the refund is based on the average wages paid by the business, number of jobs created, and where in the state the eligible business chooses to locate or expand. The minimum tax refund is \$3,000 per employee. Jobs created in rural communities and enterprise zones, as well as those paying higher annual average wages, are eligible for more incentives.

⁴³ Section 288.1254(2), F.S.

⁴⁴ Section 288.1254(4)(b), F.S.

⁴⁵ Office of Economic and Demographic Research, *Return on Investment for the Entertainment Industry Incentive Programs*, p. 7 (2021), available at <http://edr.state.fl.us/Content/returnoninvestment/EntertainmentIndustryIncentivePrograms2021.pdf> (last visited April 24, 2023).

⁴⁶ *Id.*

⁴⁷ Section 288.1254(7), F.S. In 2012, an additional year was added to the program. See ch. 2012-32, s. 15, Laws of Fla.

⁴⁸ Section 288.061(1), F.S.

⁴⁹ Section 288.106(2)(j), F.S.

The authority to certify new applicants for the QTI program expired on June 30, 2020, but existing tax refund agreements continue in accordance with the contract terms. Based on current contracts, the anticipated program end date is Fiscal Year 2037-38.⁵⁰

Corporate Income Tax Credits for Spaceflight Projects

Section 220.194, F.S., the “Florida Space Business Incentives Act,” was enacted to create incentives to attract launch, payload, research and development, and other space business in Florida. If approved and certified by the DEO, it allowed a certified spaceflight business to take a nontransferable corporate income tax credit for up to 50 percent of the business's tax liability for the taxable year in which the credit is taken on a return for a taxable year beginning on or after October 1, 2015. The taxpayer had to be a spaceflight business engaged in a qualifying spaceflight project that created 35 new jobs in Florida directly associated with spaceflight projects, and that invested a total of at least \$15 million in Florida. No credits were to be approved after October 1, 2017.

Qualified Defense Contractor and Space Flight Tax Refund

In 1996, the Legislature implemented the Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC) to create and retain high quality, high wage jobs for Floridians in the defense and space industries.⁵¹ Historically, the program was designed to protect the state’s defense businesses and jobs from reductions in federal defense spending.⁵² The program provides tax refunds for job creation similar to those awarded through the Qualified Target Industry Tax Refund Program (QTI). However, the programs differ in that tax refunds under the QDSC program are paid for both created and retained jobs. In addition, QDSC program participation is limited to certain defense and space flight contractors, while QTI includes a wider range of industries.⁵³ Incentive awards range from \$3,000 to \$8,000 per job.⁵⁴

QDSC tax refunds were provided to qualifying businesses bidding on new competitive contracts or consolidating existing defense or space flight business contracts, converting defense production jobs to nondefense production jobs, or reusing defense-related facilities. A business could not apply for the tax refund after submitting a proposal or deciding to consolidate a defense or space flight contract. Businesses seeking to qualify for the program were required to meet several requirements including deriving not less than 60 percent of gross receipts in the state from defense or space flight business contracts over the last fiscal year and over the five years preceding the date an application was submitted; creating net new Florida jobs; paying an

⁵⁰ OPPAGA, *Florida Economic Development Program Evaluations – Year 10*, p. 1, available at <https://oppaga.fl.gov/Documents/Reports/22-06.pdf> (last visited April 24, 2023).

⁵¹ Section 288.1045, F.S.

⁵² The 2008 Legislature amended the program to include space flight businesses (ch. 2008-89, Laws of Fla.).

⁵³ According to state law, a program applicant is a business that holds or is a subcontractor under a valid U.S. Department of Defense contract or space flight contract, or a business entity that holds a valid contract for the reuse of a defense-related facility.

⁵⁴ Section 288.1045, F.S. The per-job award increases from the \$3,000 base when wages exceed 150 percent of the area or statewide annual wage, and when projects are located in specified locations. These included a rural county, an Enterprise Zone, or until June 30, 2014, in any of the eight counties that were disproportionately affected by the BP Gulf Oil Spill: Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Walton and Wakulla Counties. From July 1, 2011 through June 30, 2014, DEO could waive wage or local financial support eligibility requirements for Disproportionately Affected Counties.

annual average wage of at least 115 percent of the average wage in the area where the project was located; and providing a local government resolution of financial support amounting to 20 percent of the total tax refund.

The QDSC program was a performance-based incentive tied directly to defense or space flight business contracts. Businesses qualified for the program in three ways:

- Contract or subcontract consolidations that resulted in either a 25 percent increase in employment or at least 80 new Florida jobs;
- Defense production conversion projects that resulted in a net increase in nondefense employment at the applicant's facilities in Florida; or
- Reuse projects that resulted in the creation of at least 100 jobs for contracts with a duration of two or more years.⁵⁵

A recent OPPAGA report recommends that the Legislature consider eliminating or modifying the QDSC program, given that the program expired in 2014 and no businesses remain in the program.⁵⁶

Quick Action Closing Fund

The Quick Action Closing Fund (QAC) was created in 1999 as a discretionary “deal closing” tool in highly competitive negotiations where the state’s traditional incentives are not enough to compel a business to relocate, initiate, or expand a project in Florida.⁵⁷ The program was created in reaction to the announcement that the space shuttle program was being discontinued by NASA with expected job losses that would negatively impact families, companies, the state, and regional economies.⁵⁸

In order to be eligible for QAC funds, a project must meet the following criteria:

- Be in a qualified target industry;
- Have a positive economic benefit ratio of at least 5 to 1;
- Pay an average annual wage of at least 125 percent of the area-wide or statewide private sector average wage; and
- Be supported by the local community in which the project is to be located.⁵⁹

DEO and EFI jointly review applications⁶⁰ and determine the eligibility of each project. Waiver of the criteria may be considered under the following criteria:

- Based on extraordinary circumstances;
- In order to mitigate the impact of the conclusion of the space shuttle program; or
- In rural areas of opportunity if the project would significantly benefit the local or regional economy.⁶¹

⁵⁵ Section 288.1045, F.S.

⁵⁶ Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations –Year 9*, p. 7 (December 2021), available at <https://oppaga.fl.gov/Documents/Reports/21-09.pdf> (last visited April 24, 2023).

⁵⁷ Section 288.1088, F.S.

⁵⁸ Section 288.1088(1)(b), F.S.

⁵⁹ Section 288.1088(2), F.S.

⁶⁰ Section 288.061, F.S.

⁶¹ Section 288.1088(2), F.S.

DEO is required to evaluate proposals for high-impact business facilities based on the following:

- A description of the type of facility or infrastructure, its operations, and the product or service associated with the facility;
- The number of full-time equivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs;
- The cumulative amount of capital investment to be made in the facility;
- A statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or region or in the state's universities or colleges;
- A statement of the role the award will play in the decision of the company to locate or expand in the state; and
- A report evaluating the quality and value of the company submitting the proposal.⁶²

Within seven business days of evaluating a project, DEO must recommend to the Governor that a project be approved or disapproved for an award. The Governor is authorized to award projects less than \$2 million without Legislative approval. For project awards between \$2 million and \$5 million, the Governor must provide a written description and evaluation of a project award to the chair and vice chair of the Legislative Budget Commission at least 10 days prior to giving final approval for a project award. Project awards over \$5 million must be approved by the LBC prior to funds being released. Following approval, DEO is required to enter into a contract with the business which specifies the conditions for payment of funds.⁶³ The contract must include the total amount of funds awarded, the performance conditions for the project,⁶⁴ a baseline of current service with a measure of enhanced capability following the project, methodology for measuring performance, the schedule of payments, and sanctions for failure to meet performance conditions.⁶⁵

The program is funded by a specific annual appropriation, and has no cap. DEO reports that the Quick Action Closing Fund was last funded in 2015-16. Additionally, the report stated that DEO did not receive any applications for the program.⁶⁶

Innovation Incentive Program

The Innovation Incentive Program (IIP)⁶⁷ was established in 2006 to provide financial resources so that the state can “respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, innovation business, and alternative and renewal energy projects.” To be eligible for consideration to receive an IIP award, an innovation business, a research and development entity, or an alternative and renewable energy company must submit a written application to DEO before making a decision to locate new operations in the state or expand an existing operation in the state.

⁶² Section 288.1088(3), F.S.

⁶³ Section 288.1088(3)(d), F.S.

⁶⁴ Performance conditions include net new employment in the state, average salary, and total capital investment. *See s.* 288.1088(3)(d), F.S.

⁶⁵ Section 288.1088(3)(d), F.S.

⁶⁶ DEO, *2021-2022 Annual Incentives Report*, p. 9, available at https://floridajobs.org/docs/default-source/reports-and-legislation/2021-2022-annual-incentives-report.pdf?sfvrsn=fc6c57b0_2 (last visited April 24, 2023).

⁶⁷ Section 288.1089, F.S.

To qualify for review by the DEO, the applicant must establish that the jobs created by the project must pay an estimated annual wage of at least 130 percent of the average private sector wage and state awards must be matched by local sources. IIP performance contracts also include a reinvestment requirement, obliging recipients to remit a portion of their royalty revenue back to the state for reinvestment.⁶⁸

The DEO is authorized to waive the average wage requirement and the one-to-one match from the local community at the request of EFI, for a project located in a rural area, a brownfield area, or an enterprise zone, when the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action.

The DEO must make a recommendation to the Governor to approve or deny an Innovation Incentive Program award. If the project is recommended, DEO must include in their recommendation proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that are required to be met before the receipt of any incentive funds. The Governor must approve or deny the award based on the valuation and recommendation received from DEO, and consult with the President of the Senate and the Speaker of the House of Representatives prior to approving an award. The funds may not be released until the award has been reviewed and approved by the LBC.⁶⁹

Upon approval, the DEO and the award recipient must enter into an agreement that specifies the amount of the award, the performance conditions and measures, and a schedule of payments and sanctions for failure to comply with performance conditions, including claw back provisions. Agreements signed on or after July 1, 2009, must also include, among other things, provisions related to job creation, reinvestment of royalty revenues, reporting requirements, and a process for amending the agreement.⁷⁰

DEO has not received an appropriation for the program since Fiscal Year 2011-2012, and the last approved grant under the IIP was at that time.⁷¹

Economic Gardening

In 2009, the Florida Legislature created the “Economic Gardening Technical Assistance Pilot Program” and “Economic Gardening Business Loan Pilot Program” to stimulate investment in Florida’s economy by providing technical assistance and loans to expanding businesses in the state, respectively.⁷²

⁶⁸ Office of Program Policy Analysis and Government Accountability, *Florida Economic Development Program Evaluations – Year 10*, p. 18 (November 2022), available at <https://oppaga.fl.gov/Documents/Reports/22-06.pdf> (last visited April 24, 2023).

⁶⁹ Section 288.1089(7), F.S.

⁷⁰ Section 288.1089(8), F.S.

⁷¹ OPPAGA, *Florida Economic Development Program Evaluations – Year 10*, p. 1, available at <https://oppaga.fl.gov/Documents/Reports/22-06.pdf> (last visited April 24, 2023).

⁷² Sections 288.1081 and 288.1082, F.S.

The technical assistance program provides an avenue through which eligible companies can receive counseling services, access to technology and information, marketing services and advice, business management support, and other similar services.⁷³

To be eligible for assistance, a business must be a for-profit, privately held, investment-grade business that:

- Employs at least 10 persons but not more than 50 persons;
- Has maintained its principal place of business in the state for at least the previous two years;
- Generates at least \$1 million but not more than \$25 million in annual revenue;
- Qualifies for the tax refund program for qualified target industry businesses under s. 288,106, F.S.; and
- Has increased both its number of full-time equivalent employees in this state and its gross revenues during three of the previous five years.⁷⁴

The loan program expired on July 1, 2016.⁷⁵

Microfinance Program

The state has two separate microfinance programs, the Microfinance Loan Program⁷⁶ and the Microfinance Guarantee Program.⁷⁷ The loan program is designed to make short-term, fixed-rate microloans for business management training, business development training, and technical assistance to entrepreneurs and newly established or growing small businesses for startup costs, working capital, and the acquisition of materials, supplies, furniture, fixtures, and equipment. The intent of the program is to enable entrepreneurs and small businesses to access private financing after completing the program. The guarantee program is intended to stimulate access to credit for entrepreneurs and small businesses by providing targeted guarantees to their loans. Loan guarantees cannot exceed 50 percent of the total loan amount, and are limited to loans that range between \$50,000 and \$250,000.⁷⁸

Florida Small Business Technology Growth Program

The Florida Small Business Technology Growth Program (SBTGP) is a subset of EFI that provides financial assistance to businesses in this state having high job growth and emerging technology potential and fewer than 100 employees.⁷⁹ SBTGP and its associated nonprofit⁸⁰ are under the guidance of EFI. EFI must establish and monitor a separate small business technology growth account in the Florida Technology Research Investment Fund for the Florida SBTGP. This fund consists of appropriations by the Legislature, proceeds of any collateral used to secure such assistance, transfers, fees assessed for providing or processing such financial assistance, grants, interest earnings, and earnings on financial assistance.

⁷³ Section 288.1082(2), F.S.

⁷⁴ Section 288.1082(4), F.S.

⁷⁵ Section 288.1081(10), F.S.

⁷⁶ Section 288.9934, F.S.

⁷⁷ Section 288.9935, F.S.

⁷⁸ Section 288.9935, F.S.

⁷⁹ Section 288.95155, F.S.

⁸⁰ Section 288.9519, F.S.

Qualified Defense Contractor and Space Flight Business Tax Refund

The Qualified Defense Contractor and Space Flight Business Tax Refund (QDSC) was established in 1996⁸¹ and expired on June 30, 2014.⁸² In order to attract new high quality, high wage jobs in the defense and space industries, the program offered tax refunds to qualifying, pre-approved businesses bidding on new competitive contracts or consolidating existing defense or space contracts. This incentive is a partnership between DEO and local community—20 percent of the award comes from the local city or county government.⁸³ All QDSC projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved and verified by the State prior to payment of refunds.

The program requires that jobs created by a QDSC project have an average annual wage of at least 115 percent of the average private sector wage in the area where the business is located, or the statewide private sector average wage.⁸⁴ The amount of the refund is based on the average wages paid by the business, number of jobs created, and where in the state the eligible business chooses to locate or expand. The minimum tax refund is \$3,000 per employee or \$6,000 if the project is located in a rural county or enterprise zone.⁸⁵

As of 2021, there was only one business eligible to receive funding from the QDSC. That business received two payments totaling \$865,781 in QDSC tax refunds. However, the business experienced a decline in employment in Fiscal Years 2017-2018 and 2018-2019 and was unable to meet its contractual requirements leading to its withdrawal and termination by DEO from the QDSC program in Fiscal Year 2019-2020.⁸⁶

New Markets Development Program

In 2009, the Legislature passed the New Markets Development Program Act (NMDP).⁸⁷ The program, which is modeled after the federal New Markets Tax Credit Program, allows taxpayers to earn credits against specified taxes by making qualified investments in qualified community development entities that, in turn, invest in businesses in low-income communities to create and retain jobs in such communities.⁸⁸

Qualified community development entities apply to DEO for approval of a proposed investment as a qualified investment.⁸⁹ A qualified community development entity is a federally-certified Community Development Entity, which has entered into an allocation agreement with the U.S. Department of Treasury with respect to tax credits and is authorized under the allocation

⁸¹ Ch. 96-348, Laws of Fla.

⁸² Section 288.1045(7), F.S.

⁸³ Section 288.1045(1)(j), F.S.

⁸⁴ Section 288.1045(3)(e), F.S.

⁸⁵ Section 288.1045(2), F.S.

⁸⁶ OPPAGA, *Development Program Evaluations – Year 9*, p. 10 (December 2021), available at <https://oppaga.fl.gov/Documents/Reports/21-09.pdf> (last visited April 24, 2023).

⁸⁷ Ch. 2009-50, Laws of Fla.

⁸⁸ Section 288.9912, F.S.

⁸⁹ Section 288.9914, F.S.

agreement to serve Florida businesses.⁹⁰ A qualified investment is an equity investment in, or a long-term debt security issued by, a qualified community development entity that is issued solely in exchange for cash and is approved by DEO.⁹¹ Often, the equity investor will make its investment with the help of a loan.⁹²

Once DEO has approved the qualified investment, the taxpayer is eligible to receive tax credits, and the qualified community development entities can invest the proceeds received from the qualified investment in a qualified active low-income community business (up to \$10 million per qualified active low-income community business).⁹³ A qualified active low-income community business is a business that, among other requirements, derives at least 50 percent of its total gross income from within a low-income community.⁹⁴ A low-income community means a population census tract within the state with a particular poverty rate or average median family income (depending on where the tract is).⁹⁵

Taxpayers that make a qualified investment in qualified community development entities may receive tax credits against the corporate income tax found in s. 220.11, F.S. or the insurance premium tax found in s. 624.509, F.S. The taxpayer may not claim the credit in the first two years after the investment. In year three after the investment, the credit is worth 7 percent of the qualified investment, and from the fourth year through the seventh year the credit is worth 8 percent.⁹⁶ As in the federal program, over seven years the credit totals 39 percent of the total qualified investment in the qualified community development entity. Therefore, a taxpayer with qualified investments approved for both the federal and state programs could receive 78 percent of the purchase price of the investment in tax credits over seven years.

Any unused portion of the tax credit may be carried forward for up to five future tax years.⁹⁷ The department may not approve a cumulative amount of qualified investments that may result in the claim of more than \$216.34 million in tax credits during the existence of the program or more than \$36.6 million in tax credits in a single state fiscal year.⁹⁸ DEO reports that the statutory limitation on credits that could be issued was reached in, and no new credits have been issued since, fiscal year 2014-2015.⁹⁹

Section 288.9922, F.S., provides that the program expired on December 31, 2022.

⁹⁰ Section 288.9913(6), F.S.

⁹¹ Section 288.9913(7), F.S.

⁹² The loan allows the taxpayer to make a larger investment, to in turn receive a greater amount of tax credits through the program. Current law does not dictate where the loan must come from. Accordingly, the loan may come from an affiliate of the qualified active low income community business.

⁹³ Section 288.9915, F.S.

⁹⁴ Section 288.9913(5), F.S.

⁹⁵ Section 288.9913(3), F.S.

⁹⁶ See s. 288.9916(1), F.S.

⁹⁷ Section 288.9916(1)(c), F.S.

⁹⁸ Section 288.9914(3)(c), F.S.

⁹⁹ DEO, 2016-2017 Annual Incentives Report, p. 11, available at https://floridajobs.org/docs/default-source/reports-and-legislation/2017-annual-incentives-report.pdf?sfvrsn=f98875b0_4 (last visited April 24, 2023).

Scripps Florida Funding Corporation

The Scripps Florida Funding Corporation is a non-profit created by the Legislature to receive, hold, invest, administer, and disburse legislatively appropriated funds to Scripps Florida.¹⁰⁰ Scripps Florida is an institute in Florida that the Scripps Research Institute planned to open to create a biotech hub in Palm Beach County. The facility was going to focus on conducting biomedical research related to AIDS, Alzheimer's disease, cancer, diabetes, hepatitis C, and Schizophrenia.¹⁰¹ Scripps received \$310 million from the state and \$269 million from Palm Beach County to build its campus.¹⁰² Scripps opened in 2009 on land adjacent to Florida Atlantic University. However, the biotech village promised by Scripps on a nearby 70 acres of land bought by Palm Beach County was never built. Instead the land was turned over to the Scripps Research Institute in May of 2021 for just \$1. The University of Florida recently purchased the three buildings previously built by the Scripps Research Institute and the accompanying vacant land.¹⁰³

International Game Fish Association World Center

The International Game Fish Association (IGFA) is a nonprofit organization founded in 1939 that focuses on the conservation of game fish and the promotion of responsible and ethical angling practices. The association is currently headquartered in Dania Beach, Florida.

In 1996, the Florida Legislature created a funding program for the IGFA to build and maintain its "World Center" facility in Florida.¹⁰⁴ The program required the IGFA to apply for and receive certification from DEO, which the IGFA accomplished in February, 2000.¹⁰⁵

IGFA received funding after initially meeting the following requirements:

- The IGFA World Center must be the only fishing museum, hall of fame, and international administrative headquarters in the U.S. recognized by the IGFA, and that one or more private sector entities committed to donate to the IGFA land upon which the facility will operate;
- IGFA is a nonprofit Florida corporation that has contracted to construct and operate the facility;
- The municipality or county (if located in an unincorporated area) in which the facility is located has passed a resolution that states the facility serves a public purpose;
- There are existing projections that the facility and co-located privately-owned facilities will attract an attendance of more than 1.8 million annually;
- There is an independent analysis which demonstrates that the amount of sales tax generated by sales at the facility will at least equal \$1 million annually;

¹⁰⁰ Section 288.955, F.S.

¹⁰¹ OPPAGA, Report No. 09-36, *Scripps Florida Funding Corporation Complies with Requirements and Should be Continued*, p.1-2 (October 2009), available at <https://oppaga.fl.gov/Documents/Reports/09-36.pdf> (last visited April 24, 2023).

¹⁰² Katherine Kokal, *UF will take over Jupiter Scripps campus, 70 acres nearby. Check out the price tag*, The Palm Beach Post (Jan. 12, 2022), available at <https://www.palmbeachpost.com/story/news/local/pbgardens/2022/01/18/scripps-sells-palm-beach-county-research-campus-university-florida/9198371002/> (last visited April 24, 2023).

¹⁰³ *Id.*

¹⁰⁴ Ch. 96-415, Laws of Fla.

¹⁰⁵ OPPAGA, Report No. 15-01, *Economic Development Program Evaluations-Year 2*, at 52 (Jan. 1, 2015), available at <https://oppaga.fl.gov/Documents/Reports/15-01.pdf> (last visited April 24, 2023).

- There are existing projections that the project will attract more than 300,000 out-of-state visitors annually;
- The applicant has submitted an agreement to provide \$500,000 annually in national and international media promotion of the facility during the period of time that it receives state funds;
- Documentation exists that demonstrates the applicant has provided, or is capable of providing, more than one-half of the cost related to the improvements and the development of the facility; and
- The application for certification is signed by senior officials of the IFGA and is notarized according to state law.¹⁰⁶

In addition, Florida law required the World Center to be recertified every ten years by demonstrating that it was open, continued to be the only international administrative headquarters, fishing museum, and hall of fame in the country recognized by the IGFA, and was meeting at least one of the minimum projections established at the time of original certification: 300,000 annual visitors or \$1 million in annual sales tax revenue.¹⁰⁷

Upon the granting of certification, the Department of Revenue distributed a lump sum payment of \$999,996 to the IGFA and \$83,333 per month thereafter for up to 168 months (for a total of \$13,999,944). The state made its last disbursement to the facility in February 2014.¹⁰⁸

Golf Hall of Fame

Section 288.1168, F.S., establishes the Professional Golf Hall of Fame Facility funding program which allows DEO to certify one applicant as a professional golf hall of fame facility. To be eligible:

- The applicant facility must be the only professional golf hall of fame in the U.S. recognized by the PGA;
- The applicant must be a unit of local government or private sector group that has contracted to construct or operate the professional golf facility on land owned by a unit of local government;
- The municipality or county (if located in an unincorporated area) in which the facility is located, must pass a resolution that states the application serves a public purpose;
- Projected paid attendance must be more than 300,000 annually;
- Independent analysis must demonstrate that the amount of sales tax generated by sales at the facility will at least equal \$2 million annually;
- The applicant must submit an agreement to provide \$2 million in national and international media promotion of the hall of fame facility, Florida, and Florida tourism, through the PGA, or its affiliates during the period of time that the facility receives state funds;
- Documentation must exist that demonstrates the applicant has provided, or is capable of providing more than one-half of the costs associated with the improvement and development of the facility; and

¹⁰⁶ Section 288.1169(2), F.S.

¹⁰⁷ *Id.*

¹⁰⁸ OPPAGA, Report No. 15-01, Economic Development Program Evaluations-Year 2, at 52 (Jan. 1, 2015), *available at* <https://oppaga.fl.gov/Documents/Reports/15-01.pdf> (last visited April 24, 2023).

- The application must be signed by an official senior executive of the applicant and is notarized according to state law.

Every 10 years the hall of fame facility must be recertified by demonstrating that it is open, continues to be the only professional golf hall of fame in the country recognized by the PGA, and is meeting at least one of the minimum projections established at the time of original certification: 300,000 annual visitors or \$2 million in annual sales tax revenue. The facility also has an annual required advertising contribution of \$2.5 million, \$500,000 of which must be allocated to generic Florida advertising as determined by DEO.

Section 288.1168, F.S., will sunset on June 30, 2023.

Florida Sports Specialty License Plates

Florida law authorizes the Legislature to create “specialty” license plates that are available to any owner or lessee of a motor vehicle willing to pay an annual fee.¹⁰⁹ The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DMSMV) to statutorily designated organizations in support of a particular cause or charity. With respect to specialty license plates related to sports, the DHSMV distributes collected fees to EFI, which in turn administers the fees as statutorily directed. Currently, such sports-related specialty license plates include the following:

- the Florida United States Olympic Committee license plate;
- Florida Professional Sports Team license plates;
- the Florida Golf license plate;
- the Florida NASCAR license plate; and
- the Florida Tennis license plate.

III. Effect of Proposed Changes:

The bill eliminates Enterprise Florida, Inc., (EFI) and provides that all duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in EFI are transferred by a type two transfer to the Department of Commerce (department), which the bill creates by the renaming of the Department of Economic Opportunity (DEO). The bill also creates a direct support organization to support international trade, repeals several expired or obsolete economic development incentives, makes appropriations, and makes conforming and technical changes.

Type Two Transfer of EFI to Department of Commerce

Section 1 transfers all duties, functions, and contracts of EFI to the department by a type two transfer.¹¹⁰ All applicable units of state government are directed to contribute to successful

¹⁰⁹ S. 320.08058, F.S.

¹¹⁰ Pursuant to s. 20.06(2), F.S., a type two transfer is the merging into another agency or department of an existing agency or department or a program, activity, or function thereof or, if certain identifiable units or subunits, programs, activities, or functions are removed from the existing agency or department, or are abolished, it is the merging into an agency or department of the existing agency or department with the certain identifiable units or subunits, programs, activities, or functions removed therefrom or abolished. Any agency or department or a program, activity, or function thereof transferred

implementation, and the bill provides that a transition period until December 1, 2023, is appropriate. EFI may continue with its powers, duties, personnel, and contracts until December 1, 2023, but its board of directors stands repealed on October 1, 2023. The president of EFI may continue operations until the transition is complete. Contracts and agreements remain in effect, and funds held in trust must be transferred to appropriate entities. The department must submit relevant information to applicable federal agencies.

Division of Law Revision

Section 2 directs the Division of Law Revision to provide relevant substantive committees of the Florida legislature with assistance to enable committees to prepare draft legislation to conform the Florida Statutes and any legislation enacted during 2023 to the provisions of the bill, in order to resolve any potential conflicts between simultaneously enacted legislation.

Contract Provisions for Repealed Programs

Section 3 provides that no new or additional applications, certifications, contracts, or awards are to be made or approved for the following programs, all of which are repealed by this bill in subsequent bill sections:

- Entertainment Industry Tax Credit
- Corporate income tax credits for spaceflight projects
- Qualified defense contractor and space flight business tax refund program
- Tax refund for qualified target industry businesses (QTI)
- Economic Gardening Business Loan Pilot Program
- Economic Gardening Technical Assistance Pilot Program
- Quick Action Closing Fund (QAC)
- Innovation Incentive Program (IIP)
- Florida Small Business Technology Growth Program
- New Markets Tax Credit
- Microfinance Loan Program

Existing contracts continue in full force, but no modifications or extensions may be made, except certain computations by the Department of Revenue.

Appropriations

Section 4 provides that for the 2023-2024 fiscal year, the bill appropriates \$5 million in recurring funds from the Florida International Trade and Promotion Trust Fund to the international trade direct support organization created in s. 288.012.

by a type two transfer has all its statutory powers, duties, and functions, and its records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, except those transferred elsewhere or abolished, transferred to the agency or department to which it is transferred, unless otherwise provided by law. The transfer of segregated funds must be made in such a manner that the relation between program and revenue source as provided by law is retained. Unless otherwise provided by law, the head of the agency or department to which an existing agency or department or a program, activity, or function thereof is transferred is authorized to establish units or subunits to which the agency or department is assigned, and to assign administrative authority for identifiable programs, activities, or functions, to the extent authorized in this chapter. Unless otherwise provided by law, the administrative rules of any agency or department involved in the transfer which are in effect immediately before the transfer remain in effect until specifically changed in the manner provided by law.

For the 2023-2024 fiscal year, 20 full-time equivalent positions with associated salary rate of 1,406,860 are authorized, and the sum of \$5 million in recurring funds from the State Economic Enhancement and Development Trust Fund is appropriated to the DEO to carry-out the bill's provisions. The remaining funds are appropriated to the department to carry-out the bill's provisions.

For the 2023-2024 fiscal year, the bill appropriates the sum of \$2 million in nonrecurring funds from the State Economic Enhancement and Development Trust Fund to EFI to facilitate the transition plan and transfers required by this bill.

Conforming Changes

Section 5 amends s. 11.45, F.S., to delete the authority of the Auditor General to audit EFI.

Section 6 amends s. 14.32, F.S., to delete the authority of the Chief Inspector General to advise EFI on internal control measures.

Sections 7 and 8 amends ss. 15.18 and 15.182, F.S., respectively, replacing the department for DEO relating to advisory duties at the Department of State concerning international cultural activities.

Section 9 amends s. 20.435, F.S., to remove from a Department of Health trust fund provision a reference to the Scripps Florida Funding Corporation, which is repealed by section 89 of this bill.

Department of Economic Opportunity Renamed Department of Commerce

Section 10 amends s. 20.60, F.S., to rename the DEO as the Department of Commerce, and change the title of the head of the department to the Secretary of Commerce. The bill also specifies that the Secretary of Commerce served as the Governor's chief negotiator for business recruitment and expansion and economic development, and that the department is the state's lead agency for business recruitment and expansion and economic development. The Division of Strategic Business Development is renamed the Division of Economic Development.

The bill requires the department to contract with the direct-service organization (DSO) created in s. 288.1229, F.S., for the promotion of sports in this state, and with the DSO created in s. 288.012, F.S., for the development of foreign investment and international trade.

The strategic plan required to be developed by the department must include strategies for attraction of venture capital, finance development, and domestic trade, and strategies supporting the development and growth of defense, space, and aerospace industries in this state.

The department must coordinate with VISIT Florida in the development of its 4-year marketing plan required by s. 288.12261, F.S. In its annual report on the business climate and economic development in the state, the department must collect and maintain data on the development and utilization of the international trade development program.

Conforming Changes

Section 11 repeals s. 20.601, F.S., an expired provision which required the DEO to report on EFI's performance by July 1, 2016.

Section 12 amends s. 159.803, F.S., relating to private activity bonds, changing a reference from the DEO to a reference to the department, and correcting a reference to qualified target industry business criteria, affected by the repeal of the QTI program by the bill.

Section 13 amends s. 189.033, F.S., to delete a reference to the QTI program, and add a definition of "disproportionately affected county" for use in a provision relating to independent special districts.

Section 14 amends s. 196.012, F.S., relating to property tax exemptions, to correct a reference to the definition of target industry business, which is relocated by the bill to s. 288.005, F.S.

Section 15 amends s. 212.08, F.S., relating to sales and use tax, to change references from the DEO to references to the department, and delete references to the entertainment industry tax credit repealed by the bill.

Section 16 amends s. 212.098, F.S., relating to the Rural Job Tax Credit Program, changing a reference from the DEO to a reference to the department, and deleting a reference to QTI, which is repealed by the bill.

Section 17 amends s. 212.20, F.S., relating to certain distributions of sales tax funds, to delete distributions to the professional golf hall of fame and International Game Fish Association World Center, both repealed by the bill.

Section 18 amends s. 212.205, F.S., to correct a cross-reference related to sales tax reporting.

Section 19 amends s. 213.053, F.S., relating to information sharing by the DOR, to delete a reference to corporate income tax credits for spaceflight projects repealed by the bill.

Section 20 amends s. 220.02, F.S., relating to legislative intent language for corporate income tax, to delete references to the entertainment industry tax credit, and the corporate income tax credits for spaceflight projects, both repealed by the bill.

Section 21 amends s. 220.13, F.S., relating to the definition of adjusted federal income, to delete references to programs repealed by the bill.

Section 22 amends s. 220.16, F.S., relating to allocation of nonbusiness income, to delete a reference to corporate income tax credits for spaceflight projects, repealed by section 25 of the bill.

Tax Credit Repeals and Conforming Changes

Section 23 repeals s. 220.1899, F.S., the entertainment industry tax credit.

Section 24 amends s. 220.191, F.S., relating to the capital investment tax credit, to provide a definition of “average private sector wage in the area,” a phrase currently used in the section. The definition is currently specified in s. 288.106, F.S., the QTI program repealed by section 46 of the bill. The bill also deletes references to EFI, and corrects references to the department.

Section 25 repeals s. 220.194, F.S., corporate income tax credits for spaceflight projects.

Conforming Changes

Section 26 amends s. 220.196, F.S., relating to the research and development tax credit, to correct cross references and references to the department.

Section 27 amends s. 272.11, F.S., to require Visit Florida to operate the Capitol information center, instead of EFI.

Section 28 amends s. 287.0947, F.S., relating to the Florida Advisory Council on Small and Minority Business Development, to change a member of the council from a board member of EFI to the Secretary of Commerce or his or her designee.

Section 29 amends s. 287.137, F.S., relating to a definition of economic incentives used in the denial or revocation of the right to transact business with public entities, to change a reference from EFI to the department.

Section 30 amends s. 288.0001, F.S., relating to required reporting by OPPAGA and the Office of Economic and Demographic Research, to require them to include in their three year reporting cycle the following programs, starting January 1, 2016: Space Florida, the Urban High-Crime Area Job Tax Credit Program, the Rural Job Credit Tax Credit Program, and the Florida Job Growth Grant Fund. Programs repealed by this bill are removed from the reporting requirements.

Section 31 amends s. 288.001, F.S., to change a member of the statewide advisory board of the Florida Small Business Development Center Network from the president of EFI to the Secretary of Commerce.

Section 32 amends s. 288.005, F.S., relating to definitions used in Ch. 288, F.S., to provide a definition of “target industry business.” The definition is substantively the same as the definition currently provided in s. 288.106, F.S., the QTI program repealed by the bill. The bill also deletes references to EFI in this section.

International Trade DSO

Section 33 amends s. 288.012, F.S., relating to State of Florida international offices, to correct references to the department. The bill requires the department to establish a direct-support organization (DSO) to assist with the coordination of international trade development efforts, and assist in development and planning related to foreign investment, international partnerships, and other international business and trade development. The bill specifies that the Secretary of the department is the head of the DSO and may appoint a director and other staff.

The DSO may coordinate and plan international trade missions, including setting up travel, arranging for participation by Florida businesses, and tracking data related to outcomes of the trade missions on behalf of the department. The DSO is authorized to accept grants or other donations in order to facilitate trade missions and conduct other related international activities. Funds must be held in a separate depository account and must be used in a manner consistent with the DSO's goals. If the DSO is no longer approved to operate by the department, fails to maintain its tax-exempt status, or ceases to exist, any funds must revert to the department.

The department must annually certify that the DSO is complying with the terms of the contract. The DSO must annually submit to the department certain federal forms, an annual budget for approval by the department, and an annual financial audit in accordance with s. 215.981, F.S.

The DSO's fiscal year begins on July 1 of each year and ends on June 30 of the following year. By August 15, the department must submit a proposed operating budget for the DSO, including amounts to be expended on international offices, trade missions, events, other operating capital outlay, salaries and benefits for each employee, and contributions and expenditures, to the Governor and the Legislature.

The DSO stands repealed on October 1, 2028, unless saved from repeal by the Legislature.

Conforming Changes

Section 34 amends s. 288.017, F.S., relating to the cooperative advertising matching grants program, to provide authority to VISIT Florida to administer the program, rather than EFI.

Section 35 amends s. 288.018, F.S., relating to the Regional Rural Development Grants Program, to remove references to EFI.

Section 36 amends s. 288.047, F.S., relating to quick-response training program, to remove references to EFI.

Section 37 amends s. 288.061, F.S., relating to the economic development incentive application process, to remove references to EFI and change references from DEO to the department.

Section 38 amends s. 288.0655, F.S., relating to the Rural Infrastructure Fund, to amend cross-references, remove an outdated provision, and remove references to EFI.

Section 39 amends s. 288.0656, F.S., relating to the Rural Economic Development Initiative, to remove references to EFI, change a reference from Secretary of DEO to Secretary of the department, and make conforming changes made by the act.

Section 40 amends s. 288.0658, F.S., relating to nature-based recreation, to remove a reference to EFI.

Section 41 amends s. 288.075, F.S., relating to economic incentive programs, deleting a reference to the qualified defense contractor and space flight business tax refund program, which is repealed by this bill.

Section 42 amends s. 288.076, F.S., relating to the return on investment reporting for economic development programs, by moving definitions. The definitions are currently specified in s. 288.106, F.S., the QTI program repealed by the bill. The bill also makes conforming changes made by the act.

Economic Development Trust Fund

Section 43 amends s. 288.095, F.S., relating to the Economic Development Trust Fund, to change references from the DEO to the department, and to require the department to make quarterly reports on the status of payments made for all economic development programs administered by the department, including the brownfield redevelopment bonus refunds and the QTI program. The department must create a separate account for funds transferred from EFI, for payments under former QAC and IIP programs, and report quarterly on activity for both programs.

Section 44 amends s. 288.101, relating to the Florida Job Growth Grant Fund, to delete a provision allowing for funding to accelerate the rehabilitation of the Herbert Hoover Dike, delete language referencing EFI, and correct cross-references.

Program Repeals and Conforming Changes

Section 45 repeals s. 288.1045, F.S., the qualified defense contractor and space flight business tax refund program.

Section 46 repeals s. 288.106, F.S., the QTI program.

Section 47 amends s. 288.107, F.S., relating to brownfield redevelopment bonus refunds, to remove provisions related to the QTI program repealed by the bill, and give the department rulemaking authority for the program. The bill also republishes the list of taxes against which the refunds may be applied, which are not changed by the bill, but the list is deleted by the repeal of the QTI program. Those taxes are as follows:

- Corporate income taxes under chapter 220;
- Insurance premium tax under s. 624.509;
- For all of the following taxes due and paid by that business after entering into the agreement:
 - Taxes on sales, use, and other transactions under chapter 212;
 - Intangible personal property taxes under chapter 199;
 - Excise taxes on documents under chapter 201;
 - Ad valorem taxes paid, as defined in s. 220.03(1);
 - State communications services taxes administered under chapter 202.

The bill gives rulemaking authority to the department to administer the brownfield program.

Section 48 amends s. 288.108, F.S., relating to the high-impact business grant program, to change references from EFI to the department, and clarify that the department has authority to designate high-impact business sectors.

Section 49 repeals s. 288.1081, F.S., the Economic Gardening Business Loan Pilot Program.

Section 50 repeals s. 288.1082, F.S., the Economic Gardening Technical Assistance Pilot Program.

Section 51 repeals s. 288.1088, F.S., the Quick Action Closing Fund.

Section 52 repeals s. 288.1089, F.S., the Innovation Incentive Program.

Section 53 amends s. 288.111, F.S., which requires the DEO to develop materials that identify each local government that establishes certain local manufacturing development programs, to delete a reference to EFI.

Section 54 amends s. 288.11621, F.S., relating to spring training baseball franchises, to delete a reference to EFI.

Section 55 amends s. 288.11631, F.S., to correct cross references.

Section 56 repeals s. 288.1168, F.S., the professional golf hall of fame facility funding program.

Section 57 repeals s. 288.1169, F.S., the International Game Fish Association World Center Facility funding program.

VISIT Florida

Section 58 amends s. 288.122, F.S., relating to the Tourism Promotional Trust Fund, to change references from EFI to the department.

Section 59 amends s. 288.1226, F.S., relating to the Florida Tourism Industry Marketing Corporation (VISIT Florida), to change references from EFI to the department, which makes VISIT Florida a DSO of the department.

Section 60 amends s. 288.12265, F.S., to require that Visit Florida operate state welcome centers, instead of EFI.

Florida Sports Foundation

Section 61 readopts and amends 288.1229, F.S., the statute that created the Florida Sports Foundation, to specify that it is a DSO of the department, and changes organizational provisions consistent with this bill. The foundation is required to develop a program known as the Florida Senior Games.

Entertainment Industry Programs

Section 62 amends s. 288.125, F.S., relating to a definition of “entertainment industry,” to correct cross references.

Section 63 repeals s. 288.1521, F.S., the Office of Film and Entertainment in the DEO.

Section 64 repeals s. 288.1252, F.S., the Florida Film and Entertainment Advisory Council.

Section 65 repeals s. 288.153, F.S., which specifies allowable travel expenses for the Office of Film and Entertainment.

Section 66 repeals s. 288.1254, F.S., the entertainment industry financial incentive program.

Section 67 amends s. 288.1258, F.S., related to the entertainment industry qualified production sales tax exemption, to make changes consistent with the repeal of the Office of Film and Entertainment.

Conforming Changes

Section 68 amends s. 288.7015, F.S., relating to the rules ombudsman at the DEO, to delete references to EFI.

Section 69 amends s. 288.706, F.S., to delete references to EFI in the Florida Minority Business Loan Mobilization Program.

Section 70 amends s. 288.773, F.S., relating to the Florida Export Finance Corporation, to change references from EFI to the department.

Section 71 amends s. 288.776, F.S., relating to the board of directors of the Florida Export Finance Corporation, to change references from EFI to the department.

Section 72 amends s. 288.7771, F.S., relating to the annual report of the Florida Export Finance Corporation, to change references from EFI to the department.

Section 73 amends s. 288.816, F.S., to provide that inquiries received by the state protocol officer about international economic trade development will be referred to the department, instead of EFI.

Section 74 amends s. 288.826, F.S., to provide that moneys deposited into the Florida International Trade and Promotion Trust Fund are administered by the department for the operation of its international trade DSO, instead of EFI.

Enterprise Florida, Inc. - Repeal

Section 75 through 80 repeal ss. 288.901, 288.9015, 288.903, 288.904, 288.905, and 288.906, F.S., provisions specifying, respectively, the creation, powers, duties, funding, personnel provisions, and annual report of EFI.

Section 81 renumbers s. 288.907 as s. 288.0065, F.S., relating to EFI's annual incentive report, to require the department to do the report on all incentive administered by the department and its public-private partnerships.

Section 82 repeals s. 288.911, F.S., requiring the creation and implementation of a marketing and image campaign by EFI.

Section 83 renumbers s. 288.912 as s. 288.007, F.S., and requires the department, instead of EFI, to receive the inventory of communities seeking to recruit businesses.

Section 84 repeals s. 288.92, F.S., the divisions of EFI.

Section 85 renumbers s. 288.923 as s. 288.12261, F.S., to remove references to EFI, specify that VISIT Florida is a DSO to the department, and require it to promote the Florida Greenways and Trails System.

Conforming Changes

Section 86 repeals s. 288.95155, F.S., the Florida Small Business Technology Growth Program.

Section 87 repeals s. 288.9519, F.S., a not-for-profit corporation to promote the competitiveness and profitability of high-technology business and industry with EFI.

Section 88 renumbers s. 288.9520 as s. 288.002, F.S., and makes the department the custodian of certain records held under a public records exemption by EFI.

Scripps - Repeal

Section 89 repeals s. 288.955, F.S., the Scripps Florida Funding Corporation, effective July 1, 2024.

Florida Development Finance Corporation – Repeal of Sunset Date and Conforming Changes

Section 90 amends s. 288.9603, F.S., to provide that the department, not EFI, constitutes a “partnership” for purposes of the FDFC.

Section 91 amends s. 288.9604, F.S., to delete the July 1, 2023 sunset date of the FDFC.

Section 92 amends s. 288.9605, F.S., to provide that the FDFC will enter into agreements with the department, not EFI, for its issuance of bonds.

Section 93 amends s. 288.9614, F.S., to provide that the department, not EFI, may take any actions it deems necessary with regards to the FDFC provisions.

Conforming Changes

Section 94 amends s. 288.9624, F.S., to change duties relating to The Florida Opportunity Fund from EFI to the department, and clarify that the Governor appoints the board of the fund.

Section 95 amends s. 288.9625, F.S., relating to the Institute for Commercialization of Florida Technology, to correct a cross reference.

Section 96 amends s. 288.96255, F.S., relating to the Florida Technology Seed Capital Fund, to correct a cross reference.

Section 97 amends s. 288.980, F.S., relating to military base retention, to change references from EFI to the department.

Section 98 amends s. 288.987, F.S., to require the department to support the Florida Defense Support Task Force.

New Markets Development Program - Repeal

Sections 99 through 111 repeal the entirety of New Markets Development Program: sections 288.991, 288.9912, 288.9913, 288.9914, 288.9915, 288.9916, 288.9917, 288.9918, 288.9919, 288.9920, 288.9921, and 288.9922, F.S., provisions specifying, respectively, the short title, purpose, definitions, certification of qualified investments, use of proceeds, tax credit, community development entity credit allowance, annual reporting by community development entity, audits, recapture provisions, rulemaking authority, and expiration date of the New Markets Development Program.

Microfinance Programs – Repeal of Loan Program and Conforming Changes

Section 111 amends s. 288.9932, F.S., to delete the definition of “domiciled in this state” for purposes of the microfinance programs.

Section 112 repeals s. 288.9934, F.S., the Microfinance Loan Program.

Section 113 amends s. 288.9935, F.S., to specify that EFI duties relating to the Microfinance Guarantee Program are duties of the department, and require the department to include a report on this program in its annual report.

Section 114 repeals s. 288.9936, F.S., the annual report of the Microfinance Loan Program.

Section 115 repeals s. 288.9937, F.S., an expired requirement that OPPAGA and EDR evaluate the microfinance programs in 2018.

Conforming Changes

Section 116 amends s. 288.9961, F.S., relating to the promotion of broadband by the Office of Broadband, to delete a reference to EFI.

Section 117 amends s. 290.0056, F.S., to delete a reference to EFI in duties relating to an enterprise zone development agency.

Section 118 amends s. 290.0065, F.S., relating to state designation of enterprise zones, to delete a reference to EFI.

Section 119 amends s. 290.00677, F.S., relating to rural enterprise zones, to conform a cross reference related to the repeal of the QTI program.

Section 120 amends s. 290.053, F.S., relating to response to economic emergencies in small communities, to replace references to EFI and the DEO with references to the department.

Section 121 amends s. 295.22, F.S., relating to the Veterans Employment and Training Services Program, to conform a cross reference and delete duties of EFI.

Section 122 amends s. 320.08058, F.S., relating to certain specialty license plates, to replace references from EFI to the Florida Sports Foundation or the department, as appropriate.

Section 123 amends s. 339.2821, F.S., relating to economic development transportation projects, to change a reference from the DEO to the department.

Section 124 amends s. 377.703, F.S., relating to the promotion and use of renewable energy resources by DACS, to replace references to EFI and the DEO to references to the department.

Section 125 amends s. 377.804, F.S., relating to the Renewable Energy and Energy-Efficient Technologies Grants Program, to delete EFI duties.

Section 126 amends s. 377.809, F.S., relating to the Energy Economic Zone Pilot Program, to delete references to the QTI program.

Section 127 amends s. 380.0657, F.S., relating to expedited permitting process for economic development projects, to delete references to the QTI program.

Section 128 amends s. 403.7032, F.S., relating to a recycling program at DEP, to delete an EFI duty, and change a reference from the DEO to the department.

Section 129 amends s. 403.973, F.S., effective July 1, 2024, related to expedited permitting, to delete references to Scripps funding.

Section 130 amends s. 403.973, F.S., related to expedited permitting, to delete references to the IIP program, and change references from the DEO to the department.

Section 131 amends s. 443.091, F.S., relating to benefit eligibility conditions in reemployment assistance claims, to change a reference from the DEO to the department.

Section 132 amends s. 443.191, F.S., relating to the Unemployment Compensation Trust Fund, to correct a cross reference and replace the DEO with the department.

Section 133 amends s. 445.004, F.S., relating to the board of CareerSource Florida, to delete references to EFI, replace references to Secretary of the DEO with Secretary of Commerce, and strike references to programs repealed by this bill.

Section 134 amends s. 445.045, F.S., relating to workforce recruitment efforts, to delete a reference to EFI.

Section 135 amends s. 446.44, F.S., relating to the duties of the Rural Workforce Services Program, to delete references to EFI.

Section 136 amends s. 447.0135, F.S., relating to professional licensure, to delete references to the entertainment industry financial incentive program repealed by the bill.

Section 137 amends s. 570.81, F.S., relating to the Agricultural Economic Development Project Review Committee, to provide that the committee include one representative from the department, not EFI.

Section 138 amends s. 570.85, F.S., to provide that DACS may provide support to VISIT Florida in its agritourism efforts, instead of EFI.

Section 139 amends s. 625.3255, F.S., relating to capital participation instruments, to change a reference from EFI to the department.

Section 140 amends s. 657.042, F.S., relating to credit union investments, to change a reference from EFI to the department.

Section 141 amends s. 658.67, F.S., relating to banks and capital participation instruments, to change a reference from EFI to the department.

Section 142 amends s. 1004.015, F.S., to remove the president of EFI as member of the Florida Talent Development Council.

Section 143 amends 1004.65, F.S., relating to the Florida College System, to remove a reference to EFI programs.

Section 144 amends s. 1004.78, F.S., relating to grants to Florida College System institutions, to replace a reference to EFI with a reference to the department.

Section 145 amends s. 1011.76, F.S., relating to the Small School District Stabilization Program, to delete a reference to EFI, and correct a reference to the department.

Reviser's Bill

Section 146 directs the Division of Law Revision to prepare a reviser's bill for the 2024 Regular Session to change the terms "Department of Economic Opportunity" and "Secretary of Economic Opportunity" to "Department of Commerce" and "Secretary of Commerce," respectively, wherever the terms appear in the Florida Statutes and to make such further changes as are necessary to conform the Florida Statutes to the organizational changes effected by this bill.

Effective Date

Section 147 provides an effective date of July 1, 2023, except as otherwise expressly provided in the bill.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None. Those with right to existing tax credits or exemptions are unaffected.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Current contracts and agreements are unaffected by the bill's repeal of expired or obsolete tax credits or exemptions.

C. Government Sector Impact:

For the 2023-2024 fiscal year, the bill appropriates \$5 million in recurring funds from the Florida International Trade and Promotion Trust Fund to the international trade direct support organization created in s. 288.012.

For the 2023-2024 fiscal year, 20 full-time equivalent positions with associated salary rate of 1,406,860 are authorized, and the sum of \$5 million in recurring funds from the State Economic Enhancement and Development Trust Fund is appropriated to the DEO to carry-out the bill's provisions. The remaining funds are appropriated to the department to carry-out the bill's provisions.

For the 2023-2024 fiscal year, the bill appropriates the sum of \$2 million in nonrecurring funds from the State Economic Enhancement and Development Trust Fund to EFI to facilitate the transition plan and transfers required by this bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 11.45, 14.32, 15.18, 15.182, 20.435, 20.60, 159.803, 189.033, 196.012, 212.08, 212.098, 212.20, 212.205, 213.053, 220.02, 220.13, 220.16, 220.1899, 220.191, 220.196, 272.11, 287.0947, 287.137, 288.0001, 288.001, 288.005, 288.012, 288.017, 288.018, 288.047, 288.061, 288.0656, 288.0658, 288.075, 288.076, 288.095, 288.101, 288.107, 288.108, 288.111, 288.11621, 288.122, 288.1226, 288.12265, 288.1229, 288.125, 288.1258, 288.7015, 288.706, 288.773, 288.776, 288.7771, 288.816, 288.826, 288.907, 288.912, 288.923, 288.9520, 288.9603, 288.9604, 288.9605, 288.9614, 288.9624, 288.9625, 288.96255, 288.980, 288.987, 288.9932, 288.9935, 288.9961, 290.0056, 290.0065, 290.00677, 290.053, 295.22, 320.08058, 339.2821, 377.703, 377.804, 377.809, 380.0657, 403.7032, 403.973, 403.973, 443.091, 443.191, 445.004, 445.045, 446.44, 477.0135, 570.81, 570.85, 625.3255, 657.042, 658.67, 1004.015, 1004.65, 1004.78, and 1011.76.

The bill repeals the following sections of the Florida Statutes: 20.601, 220.194, 288.1045, 288.106, 288.1081, 288.1082, 288.1088, 288.1089, 288.1168, 288.1169, 288.1251, 288.1252, 288.1253, 288.1254, 288.901, 288.9015, 288.903, 288.904, 288.905, 288.906, 288.911, 288.92, 288.95155, 288.9519, 288.955, 288.991, 288.9912, 288.9913, 288.9914, 288.9915, 288.9916, 288.9917, 288.9918, 288.9919, 288.9920, 288.9921, 288.9922, 288.9934, 288.9936, and 288.9937.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Fiscal Policy on April 25, 2023:

The CS eliminates Enterprise Florida, Inc. (EFI), and provides that all duties, functions, records, existing contracts, administrative authority, and unexpended balances of appropriations and allocations relating to the programs in EFI are transferred by a type two transfer to the Department of Commerce, which the CS creates by the renaming of the Department of Economic Opportunity. Duties related to international trade and development are transferred to a new direct-support organization under the department. The transition must be complete by December 1, 2023. The CS appropriates \$5 million to the new international trade DSO; \$5 million and 20 FTE to DEO; and \$2 million to EFI to implement the transition.

The CS repeals the following obsolete or expired economic development incentive programs: Entertainment Industry Tax Credit; Corporate income tax credits for spaceflight projects; Qualified defense contractor and space flight business tax refund

program; Tax refund for qualified target industry businesses; Economic Gardening Business Loan Pilot Program; Economic Gardening Technical Assistance Pilot Program; Quick Action Closing Fund; Innovation Incentive Program; Florida Small Business Technology Growth Program; New Markets Tax Credit; Microfinance Loan Program; Quick Action Closing Fund; Golf Hall of Fame; and International Game Fish Association World Center facility. Existing contracts authorized under programs remain in force; new certifications or agreements may not be made.

The CS also renames the Division of Strategic Business Development as the Division of Economic Development, and eliminates the Film Advisory Council. The CS requires the Florida Sports Foundation (recreated in the bill) and VISIT Florida to contract with the department as direct-support organizations of the department.

The CS also makes conforming and technical changes.

CS by Appropriations Committee on Transportation, Tourism and Economic Development on April 18, 2023:

The committee substitute removes the provision relating to Triumph Gulf Coast, Inc.

CS by Commerce and Tourism on March 27, 2023:

The amendment makes the following changes:

- Specifies that Rural Infrastructure Funds may not be used to serve any retail end user that already has access to broadband Internet service;
- Specifies that the term “public infrastructure projects” includes projects for workforce housing in terms of awards that may be provided through Triumph Gulf Coast, Inc.; and
- Deletes a section relating to the makeup of the Space Florida board of directors.

B. Amendments:

None.