

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 Rules

BILL: CS/CS/SB 1420

INTRODUCER: Rules Committee; Commerce and Tourism Committee; and Senator Burgess

SUBJECT: Department of Commerce

DATE: February 22, 2024

REVISED: _____

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

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1420 makes the following changes that impact the Department of Commerce (DCM):

- Provides that if the local government doesn't hold a second public hearing and adopt a comprehensive plan amendment within 180 days after the DCM provides comments, the amendment is deemed withdrawn; and provides that comprehensive plan amendments are deemed withdrawn if the local government fails to transmit the comprehensive plan amendment to the DCM within 10 working days after the final adoption hearing.
- Deletes an outdated requirement that the Florida Sports Foundation must continue amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports.
- Extends the repayment period of the Local Government Emergency Revolving Bridge Loan Program from 5 to 10 years and directs the DCM to amend existing loans executed before Feb. 1, 2024, in order to increase the loan term to a total of 10 years from the original date of execution.
- Requires the DCM to establish a direct-support organization (DSO); renames the Florida Defense Support Task Force; provides for organizational composition; revises the mission of the DSO; requires the DSO to operate under a contract with the DCM; revises the due date for the annual report; and provides a repeal date of October 1, 2029.
- Creates a Supply Chain Innovation Grant Program within the DCM; requires the DCM to jointly select grants with the Florida Department of Transportation; requires the Office of Economic and Demographic Research and the Office of Program Policy Analysis and

Government Accountability to review the program by January 1, 2027, and every three years thereafter; and provides the program expires June 30, 2034.

- Revises the term “businesses” to include healthcare facilities and allied health care opportunities, and revises the funding priority purposes to provide that health care facilities, in addition to hospitals, operated by nonprofit or local government entities that provide opportunities in health care, are eligible for the funding under the Incumbent Worker Training Program.
- Specifies that board members of the Workforce Innovation and Opportunity Act are voting members of the state workforce development board.
- Specifies that a homeowner’s association’s proposed revived declaration of covenants and articles of incorporation and bylaws must be submitted to the DCM within 60 days after obtaining valid written consent from a majority of the affected parcel owners, or within 60 days after the date the documents are approved by affected parcel owners by a vote at a meeting.

The fiscal impact is indeterminate. The funding for grant awards under the Supply Chain Innovation Grant Program is subject to legislative appropriation and there is no appropriation in the bill. See Section V., Fiscal Impact Statement.

Except as otherwise expressly provided in the bill, which takes effect upon the bill becoming a law, the bill takes effect July 1, 2024.

II. Present Situation:

Due to the disparate issues in the bill, for ease of organization and readability, the Present Situation for each issue is discussed below in conjunction with the Effect of Proposed Changes.

III. Effect of Proposed Changes:

Comprehensive Plans (Section 2)

Present Situation

The Community Planning Act provides counties and municipalities with the power to plan for future development by adopting comprehensive plans.¹ Each county and municipality must maintain a comprehensive plan to guide future development.²

All development, both public and private, and all development orders approved by local governments must be consistent with the local government’s comprehensive plan.³ A comprehensive plan is intended to provide for the future use of land, which contemplates a gradual and ordered growth, and establishes a long-range maximum limit on the possible intensity of land use. Development that does not conform to the comprehensive plan may not be approved by a local government unless the local government amends its comprehensive plan first. The state land planning agency that administers these provisions is the DCM.⁴

¹ Section 163.3167(1), F.S.

² Section 163.3167(2), F.S.

³ Section 163.3194(3), F.S.

⁴ Section 163.3221(14), F.S.

A locality's comprehensive plan lays out the locations for future public facilities, including roads, water and sewer facilities, neighborhoods, parks, schools, and commercial and industrial developments. A comprehensive plan is made up of 10 required elements, each laying out regulations for a different facet of development.⁵

The 10 required elements consider and address capital improvements; future land use plan; transportation; general sanitary sewer, solid waste, drainage, potable water, and natural groundwater aquifer recharge; conservation; recreation and open space; housing; coastal management; intergovernmental coordination; and property rights. Other plans and programs may be added as optional elements to a comprehensive plan.⁶

A comprehensive plan is implemented through the adoption of land development regulations⁷ that are consistent with the plan, and which contain specific and detailed provisions necessary to implement the plan.⁸ Such regulations must, among other prescriptions, regulate the subdivision of land and the use of land for the land use categories in the land use element of the comprehensive plan.⁹

State law requires a proposed comprehensive plan amendment to receive 3 public hearings, the first held by the local planning board.¹⁰ The local commission (city or county) must then hold an initial public hearing regarding the proposed amendment and subsequently transmit it to several statutorily identified reviewing agencies, including the DCM, the relevant Regional Planning Council (RPC), and adjacent local governments that request to participate in the review process.¹¹

The state and regional agencies review the proposed amendment for impacts related to their statutory purview. The RPC reviews the amendment specifically for "extrajurisdictional impacts that would be inconsistent with the comprehensive plan of any affected local government within the region" as well as adverse effects on regional resources or facilities.¹² Upon receipt of the reports from the various agencies, the local government holds a second public hearing at which the governing body votes to approve the amendment or not. If the local government fails, within 180 days after receipt of agency comments, to hold the second public hearing, the amendments are deemed withdrawn unless extended by agreement.¹³ If the amendment receives a favorable vote, it is transmitted within 10 days to the DCM, and any other agency or local government that provided comments, for final review.¹⁴ The DCM then has either 31 days or 45 days (depending

⁵ Section 163.3177(3) and (6), F.S.

⁶ *Id.*

⁷ "Land development regulations" means ordinances enacted by governing bodies for the regulation of any aspect of development and includes any local government zoning, rezoning, subdivision, building construction, or sign regulations or any other regulations controlling the development of land, except that this definition does not apply in s. 163.3213, F.S. (governing the administrative review of land development regulations). *See* s. 163.3164(26), F.S.

⁸ Section 163.3202(2), F.S.

⁹ *Id.*

¹⁰ Sections 163.3174(4)(a), and 163.3184, F.S.

¹¹ Section 163.3184(3)(b), F.S.

¹² Section 163.3184(3)(b)3.a., F.S.

¹³ Section 163.3184(3)(c), F.S.

¹⁴ Section 163.3184(4)(e)2., F.S.

on the review process to which the amendment is subject) to determine whether the proposed comprehensive plan amendment is in compliance with all relevant laws and agency rules.¹⁵

Effect of Proposed Changes

The bill amends s. 163.3184(3)(c), F.S., to provide that if the local government doesn't hold a second public hearing and adopt a comprehensive plan amendment within 180 days after the DCM provides comments, the amendment is deemed withdrawn.

The bill amends s. 163.3184(4), F.S., to provide that if the local government fails to transmit the comprehensive plan amendment to the DCM within 10 working days after the final adoption hearing, the amendment is deemed withdrawn.

Local Government Emergency Revolving Bridge Loan Program (Sections 3 and 13)

Present Situation

The Local Government Emergency Revolving Bridge Loan provides financial assistance to local governments impacted by federally declared disasters. The purpose of the loan program is to assist these local governments in maintaining operations by bridging the gap between the time that the declared disaster occurred and the time that additional funding sources or revenues are secured to provide them with financial assistance.¹⁶

The loans are interest-free with the loan amount determined based upon demonstrated need. The term of the loan is up to 5 years.¹⁷ To be eligible, a local government must be a county or a municipality located in an area designated in the Federal Emergency Management Agency disaster declaration. The local government must show that it may suffer or has suffered substantial loss of its tax or other revenues as a result of the disaster and demonstrate a need for financial assistance to enable it to continue to perform its government operations.¹⁸

The program expires July 1, 2038 and a loan may not be awarded after June 30, 2038. Upon expiration, all unencumbered funds and loan repayments made on or after July 1, 2038, must be transferred to the General Revenue fund.¹⁹

Effect of Proposed Changes

The bill amends s. 288.066, F.S., to extend the repayment period of the program from 5 to 10 years. Effective upon becoming a law, the bill directs the DCM to amend any existing loans executed before Feb. 1, 2024, in order to increase the loan term to a total of 10 years from the original date of execution.

¹⁵ Sections 163.3184(3)(c)4., and 163.3184(4)(e)4., F.S.

¹⁶ Section 288.066(1), F.S.

¹⁷ Section 288.066(3), F.S.

¹⁸ Section 288.066(2), F.S.

¹⁹ Section 288.066(9), F.S.

Florida Sports Foundation (Section 4)

Present Situation

The Florida Sports Foundation 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.²⁰ Under its duty to promote amateur sports and physical fitness, the Florida Sports Foundation must continue the successful amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports.²¹

Effect of Proposed Changes

The bill amends s. 288.1229, F.S., to delete an outdated requirement that the Florida Sports Foundation must continue amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports.

Florida Defense Support Task Force (Section 7)

Present Situation

In 2011,²² the Legislature created the Florida Defense Support Task Force (Task Force) with the mission to make recommendations to preserve and protect military installations to support the state's position in research and development related to or arising out of military missions and contracting, and to improve the state's military-friendly environment for servicemembers, military dependents, military retirees, and businesses that bring military and base-related jobs to the state.²³

The task force is comprised of the Governor, or his or her designee, and 12 members comprised of four members appointed by the Governor, President of the Senate, and Speaker of the House of Representatives, respectively. Task Force members represent defense-related industries or communities that host military bases and installations.²⁴ With the exception of Legislative members, Task Force members serve for a term of four years. Vacancies are to be filled for the remainder of the unexpired term in the same manner as the initial appointment. Legislative members serve until the expiration of their legislative term and may be reappointed once. All members are eligible for reappointment.²⁵ The President and the Speaker each designate one of their appointees to serve as chair and the chair must rotate each July 1.²⁶ The Secretary of the DCM, or his or her designee, serves as the ex officio, nonvoting executive director.²⁷

²⁰ Section 288.1229, F.S.

²¹ Section 288.1229(7)(g), F.S.

²² Chapter 2011-76, s. 38, Laws of Fla.

²³ Section 288.987(2), F.S.

²⁴ Section 288.987(3), F.S.

²⁵ Section 288.987(3), F.S.

²⁶ Section 288.987(4), F.S.

²⁷ Section 288.987(5), F.S., actually states that the Secretary of Economic Opportunity serves as the ex officio, nonvoting executive director; however, HB 5 from 2023 (enacted as Chapter 2023-173, Laws of Fla.) changed the name of the Department of Economic Opportunity to the Department of Commerce.

The DCM is required to contract with the task force for the expenditure of appropriated funds, which may be used by the task force for:

- Economic and product research and development;
- Joint planning with host communities to accommodate military missions and prevent base encroachment;
- Advocacy on the state's behalf with federal civilian and military officials;
- Assistance to school districts in providing a smooth transition for large numbers of additional military-related students;
- Job training and placement for military spouses in communities with high proportions of active duty military personnel; and
- Promotion of the state to military and related contractors and employers.²⁸

The Task Force must submit an annual progress report and work plan to the Governor, the President, and the Speaker each February 1.²⁹

Effect of Proposed Changes

The bill amends s. 288.987, F.S., to require the DCM to establish a direct-support organization (DSO) to support Florida's military and defense industries and communities, and renames the Florida Defense Support Task Force as the DSO. The DSO must operate under a contract with the DCM which must provide that:

- The DCM may review the DSO's articles of incorporation;
- The DSO must submit an annual budget proposal to the DCM;
- Any DSO funds held in a trust must revert to the state upon the expiration or cancellation of the contract; and
- The DSO is subject to an annual compliance review by the DCM.

The DCM must determine and annually certify that the DSO is complying with the terms of the contract and is doing so consistent with the goals and purposes of the organization and in the best interests of the state.

The DSO fiscal year begins on July 1 and ends on June 30 of the next succeeding year. By August 15 of each fiscal year, the DCM must submit a proposed operating budget for the DSO to the Governor, the President, and the Speaker. The DSO must also provide an annual financial audit pursuant to s. 215.981, F.S.

The bill specifies that, under certain provisions of law, the DSO is not an agency for purposes of leasing buildings or for bids for printing. The DCM may allow the DSO to use the property, facilities, personnel, and services of the DCM if the DSO provides equal employment opportunities to all persons regardless of race, color, religion, sex, or national origin.

The bill revises the mission of the DSO. In addition to carrying out the provisions of s. 288.987, F.S., the DSO must assist Florida is for Veterans, Inc.³⁰ with economic and workforce

²⁸ Section 288.987(7), F.S.

²⁹ Section 288.987(6), F.S.

³⁰ Section 295.21, F.S.

development efforts in military communities and conduct planning and research and development to support military missions, businesses, and military families. Additionally, the DSO is organized and operated to:

- Request, receive, hold, invest, and administer property;
- Manage and make expenditures related to its mission and for joint planning with host communities to accommodate military missions and prevent base encroachment,
- Advocate on the state's behalf with federal civilian and military officials;
- Promote the state to military and related contractors and employers; and
- Support economic and product research and development activities of the defense industry.

As necessary and requested by Florida is for Veterans, Inc., the DSO may undertake such activities that assist the corporation with job training and placement for military spouses in communities with high proportions of active duty military personnel. Similarly, as necessary and requested by the Department of Education, school districts, or Florida state colleges and universities, the DSO may undertake activities that assist in providing a smooth transition for dependents of military personnel and other military students. The DSO may complement, but not supplant, the activities of other state entities.

The DSO must be governed by a board of directors composed of the Governor, or his or her designee, four members appointed by the Governor, the President, and the Speaker. All appointments in place as of July 1, 2024, must continue in effect until the expiration of the term. The President and the Speaker must each appoint a current member who will serve as an ex officio, nonvoting member until the expiration of the member's legislative term. The member may be reappointed once. Additionally, the Executive Director of the Florida Department of Veterans' Affairs and the Adjutant General of the Florida National Guard, or their designees, must serve as ex officio, nonvoting members. The President and the Speaker each designate one of their appointees to serve as chair for a 2-year term and the chair must rotate on December 1 of each even-numbered year.

The bill specifies that employees and appointed board members, in their capacity of service on the board, are not public employees for purposes of chapter 110 or chapter, 112, F.S. However, employees and board members are subject to s. 112.061, F.S., relating to reimbursement for travel and per diem exempts incurred while performing duties, and the code of ethics under chapter 112, F.S. Otherwise, each board member must serve without compensation.

In the performance of its duties, the DSO is authorized to make and enter into contracts as necessary to carry out its mission. A proposed contract with a total cost of \$750,000 or more is subject to the noticing, review, and objection procedures provided in s. 216.177, F.S. The DSO may not divide one proposed contract with a total cost of \$750,000 or more into multiple contracts to circumvent the prohibition. If the contract is contrary to legislative policy and intent, the DSO is prohibited from entering into such contract.

The DSO is also authorized to establish grant programs and administer grant awards to support its mission. The DSO must publicly adopt guidelines and application procedures, as well as publish such guidelines, procedures, and awards on its website. The DSO may assist the DCM with any statutorily established grants or other programs as requested and necessary, but may not administer such grants on behalf of the DCM.

The bill changes the due date for an annual report from February 1 to November 1, which may be included in the annual report of the DCM.

Unless reviewed and saved from repeal by the Legislature, the DSO is repealed on October 1, 2029.

Florida Defense Support Task Force Public Records and Meetings Exemption (Section 6)

Present Situation

Current law provides a public record exemption for certain records held by the Task Force. Specifically, the following records are exempt³¹ from public records requirements:³²

- That portion of a record that relates to strengths and weaknesses of military installations or military missions in Florida relative to the selection criteria for the realignment and closure of military bases and missions under the United States base realignment and closure (BRAC) process.
- That portion of a record that relates to strengths and weaknesses of military installations or military missions in other state or territories and the vulnerability of such installations or missions to base realignment or closure under the United States BRAC process, and any agreements or proposals to relocate or realign military units and missions from other states or territories.
- That portion of a record that relates to Florida's strategy to retain its military bases during any United States BRAC process and any agreements or proposals to relocate or realign military units and missions.

Current law also provides a public meeting exemption for any portion of a meeting of the Task Force, or a workgroup of the Task Force, wherein such exempt records are presented or discussed.³³ In addition, any records generated during the closed portion of the meeting are exempt from public record requirements.³⁴

Effect of Proposed Changes

The bill amends s. 288.985, F.S., to make conforming changes made by s. 288.987, F.S.

³¹ There is a difference between records the Legislature designates exempt from public record requirements and those the Legislature designates confidential and exempt. A record classified as exempt from public disclosure may be disclosed under certain circumstances. See *WFTV, Inc. v. Sch. Bd. of Seminole*, 874 So.2d 48, 53 (Fla. 5th DCA 2004), review denied, 892 So.2d 1015 (Fla. 2004); *State v. Wooten*, 260 So. 3d 1060, 1070 (Fla. 4th DCA 2018); *City of Rivera Beach v. Barfield*, 642 So.2d 1135 (Fla. 4th DCA 1994); *Williams v. City of Minneola*, 575 So.2d 683, 687 (Fla. 5th DCA 1991). If the Legislature designates a record as confidential and exempt from public disclosure, such record may not be released by the custodian of public records to anyone other than the persons or entities specifically designated in statute. See *Op. Att'y Gen. Fla. 04-09* (2004).

³² Section 288.985(1)(a)-(c), F.S.

³³ Section 288.985(2), F.S.

³⁴ Section 288.985(3), F.S.

Supply Chain Innovation Grant Program (Sections 8 and 9)

Present Situation

Efforts have been made by state agencies, such as the DCM and the Florida Department of Transportation (FDOT) to strengthen Florida's supply chain.

For example, the FDOT has an assistant secretary that is directly responsible for providing the Executive Office of the Governor with investment opportunities and transportation projects that expand the state's role as a global hub for trade and investment and enhance the supply chain system in the state to process, assemble, and ship goods to markets throughout the eastern United States, Canada, the Caribbean, and Latin America.³⁵ The FDOT has invested in Florida's intermodal connectivity through collaboration on enhancements to Florida's 16 seaports, the state's rail network, and to cargo and freight capacity at the state's major airports.³⁶ In addition, the DCM provides programs, such as the Job Growth Grant Fund, to support Florida's economic growth and supply chain.

The following five industry clusters were identified by the DCM for economic growth in Florida and each of these industries rely heavily on freight transportation systems and a strong supply chain:³⁷

- Cleantech;
- Life Sciences;
- Aviation/Aerospace;
- Logistics and Distribution; and
- Defense and Homeland Security.

Effect of Proposed Changes

The bill creates the Supply Chain Innovation Grant Program within the DCM to fund, subject to appropriation by the Legislature, proposed projects that support supply chain innovation. Awardees under this program must be selected jointly by the DCM and the FDOT, and grants awarded under the program must be administered by the DCM. The DCM is authorized to adopt rules to implement the program.

The DCM must accept applications from ports,³⁸ class I, II, or III freight railroads, public airports, and intermodal logistics centers or inland ports.³⁹

³⁵ Section 20.23(1)(d), F.S.

³⁶ Florida Department of Commerce, *2023 Florida Manufacturing*, p. 41, <https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf> (last visited Feb. 21, 2024).

³⁷ Florida Department of Transportation, *Florida Supply Chain Management*, <https://www.fdot.gov/docs/default-source/planning/systems/programs/mspi/pdf/Freight/Florida-Supply-Chain-Management-Exec-Summary.pdf> (last visited Feb. 21, 2024).

³⁸ Ports include Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Putnam County, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina. Section 311.09(1), F.S.

³⁹ Intermodal logistics center, including, but not limited to, an inland port, means a facility or group of facilities serving as a point of intermodal transfer of freight in a specific area physically separated from a seaport where activities relating to transport, logistics, good distribution, consolidation, or value-added activities are carried out and whose activities and

The DCM must collaborate with the FDOT to review applications and select projects for awards that create strategic investments in infrastructure to increase capacity and address freight mobility to meet the economic development goals of the state. Priority must be given to projects with innovative plans, advanced technologies, and development strategies that focus on future growth and economic prosperity of the supply chain across the state.

The DCM, in consultation with the FDOT, must adopt selection criteria that includes, but is not limited to, consideration of the project's:

- Consistency with plans and studies produced by the DCM, the FDOT, or another state entity;
- Direct increase in efficiency in the delivery of goods;
- Improvement of freight mobility access while reducing congestion, which may include overnight truck parking at rest areas, weigh stations, and intermodal logistics centers;
- Increase of fuel storage and distribution capacity across the state, including, but not limited to, petroleum, hydrogen, ethanol, and natural gas located at seaports and spaceports;
- Ability to secure a sustainable logistics transportation network throughout this state;
- Development of connections to multimodal transportation systems; and
- Ability to address emerging supply chain and transportation industry challenges.

The DCM may also consider applications for funding submitted by public and private entities seeking to develop and establish vertiports in this state. The bill defines the term “vertiport” as a system or infrastructure with supporting services and equipment used for landing, ground handling, and takeoff of manned or unmanned vertical takeoff and landing (VTOL) aircraft.

The bill requires a minimum of a one-to-one match of nonstate resources, including local, federal, or private funds, to the state contribution. However, the requirement is waived for a public entity located in a fiscally constrained county.⁴⁰ An award may not be made for a project that is receiving or using state funding from another state source or statutory program, including tax credits.

Projects may apply for funding for capital expenditures and operations but funding awarded under this section may not be used to pay salary and benefits or general business or office expenses. A project may not be awarded the entirety of any appropriation in a fiscal year.

Annually, the DCM, in conjunction with the FDOT, must provide:

- A list of each project awarded;
- The benefit of each project toward meeting the goals and objectives of the program; and
- The current status of each project.

The DCM must include such information in its annual incentives report.

services are designed to support or be supported by conveyance or shipping through one or more seaports. Section 311.101(2), F.S.

⁴⁰ Each county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1, is considered a fiscally constrained county. Section 218.67(1), F.S.

The program expires June 30, 2034.

The bill amends s. 288.0001, F.S., to require the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability to review the program by January 1, 2027, and every three years thereafter.

Incumbent Worker Training Program and CareerSource Florida, Inc. (Sections 10 and 11)

Present Situation

Workforce Innovation and Opportunity Act of 2014

In 2014, Congress passed the Workforce Innovation and Opportunity Act (WIOA), which superseded the Workforce Investment Act of 1998.⁴¹ WIOA requires each state to develop a single, unified plan for aligning workforce services through the identification and evaluation of core workforce programs.⁴²

WIOA identifies four core programs that coordinate and complement each other to ensure job seekers have access to needed resources.⁴³ The core programs are:

- Adult, Dislocated Worker and Youth Programs;
- Adult Education and Literacy Activities;
- Employment Services under the Wagner-Peyser Act;⁴⁴ and
- Vocational Rehabilitation Services.⁴⁵

WIOA establishes minimum performance accountability measures for the evaluation of core programs in each state and performance reports to be provided at the state, local, and training provider levels.⁴⁶ Performance measures that apply across all core programs include:⁴⁷

- The percentage of participants in unsubsidized employment during second quarter after exit.
- The percentage of participants in unsubsidized employment during fourth quarter after exit.
- The median earnings of participants during second quarter after exit.
- The percentage of participants who obtain a postsecondary credential or secondary school diploma within 1 year after exit.
- The achievement of measureable skill gains toward credentials or employment; and
- The effectiveness in serving employers.

State Administration of Workforce Development

WIOA requires the Governor to establish a State Workforce Development Board (state board) to assist the Governor in carrying out the duties and responsibilities required by WIOA.⁴⁸ CareerSource Florida, Inc., implements the policy directives of the state board and administers

⁴¹ Workforce Innovation and Opportunity Act, 29 U.S.C. s. 3101 et seq. (2014).

⁴² See 29 U.S.C. s. 3112(a).

⁴³ See 29 U.S.C. s. 3102(13).

⁴⁴ See 29 U.S.C. s. 49 et seq.

⁴⁵ See 29 U.S.C. s. 720 et. seq.

⁴⁶ See 29 U.S.C. s. 3141.

⁴⁷ *Id.*

⁴⁸ 29 U.S.C. s. 3111.

state workforce development programs.⁴⁹ CareerSource Florida, Inc., provides administrative support to the state board, the principal workforce policy organization for the state. WIOA state board members are nonvoting and the number of members is determined by the Governor.⁵⁰

WIOA requires states to designate local workforce development areas in the state. The local workforce development areas must be consistent with labor market areas and regional economic development areas in the state and have available federal and non-federal resources necessary to effectively administer workforce development services.⁵¹ Within each area, a local workforce development board must be established.⁵² Each local workforce development board is required to coordinate planning and service delivery strategies within the local workforce development area and submit to the Governor a 4-year local plan for the delivery of workforce development services.⁵³

The DCM serves as Florida's lead workforce agency.⁵⁴ The DCM is responsible for the fiscal and administrative affairs of the workforce development system.⁵⁵ The DCM receives and distributes federal funds for employment-related programs to the local workforce development boards.⁵⁶ Under the direction of CareerSource, the DCM is required to annually meet with each local workforce development board to review the board's performance and to certify that the board is in compliance with applicable state and federal laws.⁵⁷

Incumbent Worker Training Program

The Incumbent Worker Training Program (program) was created to provide grant funding for continuing education and training of incumbent employees at existing Florida businesses. The program provides reimbursement grants to businesses that pay for preapproved, direct, training-related costs. The term "business" includes hospitals operated by nonprofit or local government entities which provide nursing opportunities to acquire new or improved skills.⁵⁸

Funding priority is given in the following order:⁵⁹

- Businesses that provide employees with opportunities to acquire new or improved skills by earning a credential on the Master Credentials List;
- Hospitals operated by nonprofit or local government entities that provide nursing opportunities to acquire new or improved skills;
- Businesses whose grant proposals represent a significant upgrade in employee skills;
- Businesses with 25 employees or fewer, businesses in rural areas, and businesses in distressed inner-city areas; and

⁴⁹ Section 445.004(2), F.S.

⁵⁰ Section 445.004(3)(a), F.S.

⁵¹ See 29 U.S.C. s. 3121.

⁵² 29 U.S.C. s. 3122.

⁵³ See 29 U.S.C. ss. 3122 and 3123.

⁵⁴ Primarily through the Division of Workforce Services. See s. 20.60, F.S.

⁵⁵ See s. 20.60(5)(c), F.S. and s. 445.009(3)(c), F.S.

⁵⁶ See s. 20.60(5)(c), F.S. and s. 445.003, F.S.

⁵⁷ See s. 445.007(3), F.S.

⁵⁸ Section 445.003(3)3., F.S.

⁵⁹ *Id.*

- Businesses in a qualified targeted industry or businesses whose grant proposals represent a significant layoff avoidance strategy.

Effect of Proposed Changes

The bill amends s. 445.003, F.S., to revise the term “businesses” under the program to include healthcare facilities and allied health care opportunities. The bill also revises the funding priority for grant purposes to provide that health care facilities, in addition to hospitals, operated by nonprofit or local government entities that provide opportunities in health care, rather than nursing opportunities, are eligible for the funding.

The bill amends s. 445.004, F.S., to specify that WIOA state board members are voting members.

DCM Review of Revitalization of Homeowner Association Covenants (Section 12)

Present Situation

Parcel owners in a community that was previously subject to a declaration of covenants that has ceased to govern one or more parcels in the community may revive the declaration and the association for the community upon approval by the parcel owners to be governed as provided in the Covenant Revitalization Act⁶⁰ and upon approval of the declaration and the other governing documents for the association by the DCM.⁶¹

No later than 60 days after the date after the date the proposed revived declaration and other governing documents are approved by the affected parcel owners, the organizing committee must submit the proposed revived governing documents and any supporting materials to the DCM to review and determine whether to approve or disapprove of the proposal to preserve the residential community.⁶²

The DCM must make a determination no later than 60 days and must notify the organizing committee in writing of its approval or reasons for the disapproval.⁶³

Effect of Proposed Changes

The bill amends s. 720.406, F.S., to specify that a homeowner’s association’s proposed revived declaration of covenants and articles of incorporation and bylaws must be submitted to the DCM within 60 days after obtaining valid written consent from a majority of the affected parcel owners, or within 60 days after the date the documents are approved by affected parcel owners by a vote at a meeting.

Miscellaneous Provisions

Section 1 amends s. 163.3175, F.S., to update a cross reference.

⁶⁰ Chapter 720, Part III, F.S.

⁶¹ Section 720.403(2), F.S.

⁶² Section 720.406(1), F.S.

⁶³ Section 720.406(2), F.S.

Section 5 amends s. 288.980, F.S., to update a cross reference.

Section 14 provides an effective date of July 1, 2024, except section 13, which directs the DCM to amend any existing loans executed before Feb. 1, 2024, in order to increase the loan term to a total of 10 years from the original date of execution, takes effect upon becoming a law.

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.

E. Other Constitutional Issues:

Article II, s. 5(a) of the Florida Constitution prohibits a person from holding at the same time more than one office under the government of the state and the counties and municipalities therein, except that a notary public or military officer may hold another office, and any officer may be a member of a constitution revision commission, taxation and budget reform commission, constitutional convention, or statutory body having only advisory powers.

A direct support organization (DSO) is a statutorily created private entity, generally required to be a non-profit corporation, and authorized to carry out specific tasks in support of public entities or public causes. The functions and purpose of a DSO are prescribed by its enacting statute and also, for most, by a written contract with the agency the DSO was created to support.

This bill creates a DSO to support Florida's military and defense industries and communities. The DSO is governed by a board of directors composed of the Governor, or his or her designee, and members appointed by the Governor, the Speaker, and the President. The bill provides that members of the Legislature who serve on the DSO board of directors are ex officio, non-voting members, but this restriction does not apply to the Governor. Though created as a private entity, the DSO is organized and operated to, among other things, manage and make expenditures for the operation of the activities, services, functions, and programs of this state.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The creation of the Supply Chain Innovation Grant Program may have an indeterminate negative fiscal impact on the DCM and the FDOT's administrative expenditures due to their joint responsibilities to review applications submitted under the grant program and select awardees for grant funding. These administrative costs can be absorbed within existing department resources. However, the funding for grant awards under the program is subject to legislative appropriation and there is no appropriation in the bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 163.3175, 163.3184, 288.066, 288.1229, 288.980, 288.985, 288.987, 288.0001, 445.003, 445.004, 720.406.

This bill creates the following section of the Florida Statutes: 288.102.

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

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

CS/CS by Rules on February 21, 2024:

The committee substitute revises the direct-support organization by providing:

- The President and Speaker must each appoint a current member who serves as an ex officio, nonvoting member.
- An appointed Senator or Representative must serve until the expiration of the member's legislative term and may be reappointed once.
- The direct-support organization chair serves a two-year term, rotating on December 1 of each even-numbered year.

- The Executive Director of the Florida Department of Veterans' Affairs and the Adjutant General of the Florida National Guard, or their designee, must also serve as ex officio, nonvoting members.
- The direct-support organization must submit an annual report each November 1, which may be submitted as a supplement report with the Department of Commerce annual report.
- The direct-support organization must publicly adopt guidelines and application procedures when establishing grant programs and administering grant awards to support its mission.

The committee substitute also creates the Supply Chain Innovation Grant Program within the Department of Commerce to fund projects that support supply chain innovation. The Department of Commerce and the Department of Transportation must consider applications and select grant awardees. Awards must be matched by private funds. The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability must review the program by January 1, 2027, and every three years thereafter. The program expires June 30, 2034.

CS by Commerce and Tourism on January 23, 2024:

The committee substitute:

- Extends the repayment period of the Local Government Emergency Revolving Bridge Loan Program from 5 to 10 years and directs the DCM to amend existing loans executed before Feb. 1, 2024, in order to increase the loan term to a total of 10 years from the original date of execution; and
- Removes a provision requiring the Secretary of the DCM, rather than the Governor, to appoint commissioners of deeds who authenticate acknowledgements in certain real estate transactions in other states or foreign countries.

B. Amendments:

None.