

## House Bill No. 297

An act relating to special-purpose zones; authorizing municipalities to designate satellite enterprise zones; creating s. 290.0491, F.S.; creating the “Florida Empowerment Zone Act”; defining terms; providing legislative intent; providing for administration by the Department of Community Affairs; providing an appropriation; providing requirements for eligibility; amending s. 212.097, F.S.; defining as a “qualified high-crime area” areas receiving 1999 federal empowerment zone designation; amending s. 212.098, F.S.; defining as a “qualified county” a county that contains an area receiving 1999 enterprise community designation; amending s. 290.0065, F.S.; designating areas receiving 1999 federal empowerment zone or rural enterprise community designations as state enterprise zones and authorizing satellite enterprise zones; providing an effective date.

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

Section 1. Section 290.0491, Florida Statutes, is created to read:

290.0491 Florida Empowerment Zones.—

(1) SHORT TITLE.—This section may be cited as the “Florida Empowerment Zone Act.”

(2) DEFINITIONS.—As used in this section, the term:

(a) “Department” means the Department of Community Affairs.

(b) “Federal Empowerment Zone Program” means the empowerment zone program established in 26 U.S.C. s. 1391 et seq.

(c) “Nominated area” means an area nominated for participation in the Federal Empowerment Zone Program.

(d) “Sponsoring designee” means the lead entity that applied for and received the empowerment zone designation, but does not include other entities that joined in the application.

(3) LEGISLATIVE INTENT.—The Legislature recognizes that it is in the public interest that the state create economic opportunity in poverty-stricken areas and rebuild such areas by empowering the people and communities within these areas to create jobs and opportunities. The U.S. Congress in 1997 provided that an additional 20 areas may be designated as federal empowerment zones by January 1, 1999, and, as such, be eligible for federal funding under the Federal Empowerment Zone Program. The Legislature seeks to promote local governments in submitting the strongest possible proposals under the Federal Empowerment Zone Program by establishing a companion state empowerment zone program.

(4) EMPOWERMENT ZONE PROGRAM.—There is created an economic development program to be known as the Florida Empowerment Zone Pro-

gram. The program shall exist for 10 years and, except as otherwise provided by law, be operated by the Department of Community Affairs in conjunction with the Federal Empowerment Zone Program.

(5) FUNDING.—For fiscal year 1999-2000, the sum of \$3,500,000 in nonrecurring general revenue is appropriated to the Department of Community Affairs to implement this act. The funds must be distributed by the department to each sponsoring designee within the state which was announced in January 1999 as having the Federal Empowerment Zone designation under 26 U.S.C. s. 1391(g) or to each community that was awarded in January 1999 the Rural Enterprise Community designation. From those funds, at least \$3,210,000, but not more than \$3,275,000, must be distributed to an urban sponsoring designee and at least \$220,000, but not more than \$225,000, must be distributed to a rural sponsoring designee or rural enterprise community. The funds must be used for the benefit of the nominated area and are contingent upon the sponsoring designee or Rural Enterprise Community receiving Empowerment Zone or Enterprise Community funds under federal law and meeting the local-match requirements imposed by the Federal Empowerment or Enterprise Community regulations and this section.

Section 2. Paragraph (e) of subsection (2) of section 212.097, Florida Statutes, 1998 Supplement, is amended to read:

212.097 Urban High-Crime Area Job Tax Credit Program.—

(2) As used in this section, the term:

(e) “Qualified high-crime area” means an area selected by the Office of Tourism, Trade, and Economic Development in the following manner: every third year, the office shall rank and tier those areas nominated under subsection (8), according to the following prioritized criteria:

1. Highest arrest rates within the geographic area for violent crime and for such other crimes as drug sale, drug possession, prostitution, vandalism, and civil disturbances;

2. Highest reported crime volume and rate of specific property crimes such as business and residential burglary, motor vehicle theft, and vandalism;

3. Highest percentage of reported index crimes that are violent in nature;

4. Highest overall index crime volume for the area; and

5. Highest overall index crime rate for the geographic area.

Tier-one areas are ranked 1 through 5 and represent the highest crime areas according to this ranking. Tier-two areas are ranked 6 through 10 according to this ranking. Tier-three areas are ranked 11 through 15. Notwithstanding this definition, “qualified high-crime area” also means an area that has been designated as a federal Empowerment Zone pursuant to the Taxpayer Relief Act of 1997. Such a designated area is ranked in Tier Three until the areas

are reevaluated by the Office of Tourism, Trade, and Economic Development.

Section 3. Paragraph (c) of subsection (2) of section 212.098, Florida Statutes, 1998 Supplement, is amended to read:

212.098 Rural Job Tax Credit Program.—

(2) As used in this section, the term:

(c) “Qualified county” means a county that has a population of fewer than 75,000 persons, or any county that has a population of 100,000 or less and is contiguous to a county that has a population of less than 75,000, selected in the following manner: every third year, the Office of Tourism, Trade, and Economic Development shall rank and tier the state’s counties according to the following four factors:

1. Highest unemployment rate for the most recent 36-month period.
2. Lowest per capita income for the most recent 36-month period.
3. Highest percentage of residents whose incomes are below the poverty level, based upon the most recent data available.
4. Average weekly manufacturing wage, based upon the most recent data available.

Tier-one qualified counties are those ranked 1 through 5 and represent the state’s least-developed counties according to this ranking. Tier-two qualified counties are those ranked 6 through 10, and tier-three counties are those ranked 11 through 17 15. Notwithstanding this definition, “qualified county” also means a county that contains an area that has been designated as a federal Enterprise Community pursuant to the 1999 Agricultural Appropriations Act. Such a designated area shall be ranked in Tier Three until the areas are reevaluated by the Office of Tourism, Trade, and Economic Development.

Section 4. Subsection (5) of section 290.0065, Florida Statutes, 1998 Supplement, is amended, and subsection (12) is added to that section, to read:

290.0065 State designation of enterprise zones.—

(5) Notwithstanding s. 290.0055, an area designated as a federal empowerment zone or enterprise community pursuant to Title XIII of the Omnibus Budget Reconciliation Act of 1993, the Taxpayer Relief Act of 1997, or the 1999 Agricultural Appropriations Act shall be designated a state enterprise zone as follows:

(a) An area designated as an urban empowerment zone or urban enterprise community pursuant to Title XIII of the Omnibus Budget Reconciliation Act of 1993 or the Taxpayer Relief Act of 1997 shall be designated a state enterprise zone by the department upon completion of the requirements set out in paragraph (d), except in the case of a county as defined in

s. 125.011(1) which, notwithstanding s. 290.0055, may incorporate and include such designated urban empowerment zone or urban enterprise community areas within the boundaries of its state enterprise zones without any limitation as to size.

(b) An area designated as a rural empowerment zone or rural enterprise community pursuant to Title XIII of the Omnibus Budget Reconciliation Act of 1993 or the 1999 Agricultural Appropriations Act shall be designated a state enterprise zone by the department upon completion of the requirements set out in paragraph (d).

(c) Any county or municipality having jurisdiction over an area designated as a state enterprise zone pursuant to this subsection, other than a county defined in s. 125.011(1), may not apply for designation of another area.

(d) Prior to designating such areas as state enterprise zones, the department shall ensure that the governing body having jurisdiction over the zone submits the strategic plan required pursuant to 7 C.F.R. part 25 or 24 C.F.R. part 597 to the department, and creates an enterprise zone development agency pursuant to s. 290.0056.

(e) The department shall place any area designated as a state enterprise zone pursuant to this subsection in the appropriate category established in subsection (3), and include such designations within the limitations on state enterprise zone designations set out in subsection (1).

(12) Before December 31, 1999, any county as defined in s. 125.011(1) may create a satellite enterprise zone not exceeding 3 square miles in area outside of and, notwithstanding anything contained in s. 290.0055(4) or elsewhere, in addition to the previously designated 20 square miles of enterprise zones. The Office of Tourism, Trade, and Economic Development shall amend the boundaries of the areas previously designated by any such county as enterprise zones upon the receipt of a resolution adopted by such governing body describing the satellite enterprise zone, as long as the additional area is consistent with the categories, criteria, and limitations imposed by s. 290.0055, provided that the 20-square-mile limitation and the requirements imposed by s. 290.0055(4)(d) do not apply to such satellite enterprise zone.

Section 5. Before December 31, 1999, any municipality an area of which has previously received designation as an Enterprise Zone in the population category described in section 290.0065(3)(a)3., Florida Statutes, may create a satellite enterprise zone not exceeding 1.5 square miles in area outside of and, notwithstanding anything contained in section 290.0055(4), Florida Statutes, or any other law, in addition to the previously designated enterprise zone boundaries. The Office of Tourism, Trade, and Economic Development shall amend the boundaries of the areas previously designated by any such municipality as enterprise zones upon receipt of a resolution adopted by the municipality describing the satellite enterprise zone areas, as long as the additional areas are consistent with the categories, criteria, and limitations imposed by section 290.0055, Florida Statutes. However, the require-

ments imposed by section 290.0055(4)(d), Florida Statutes, do not apply to such satellite enterprise zone areas.

Section 6. This act shall take effect upon becoming a law.

Approved by the Governor June 11, 1999.

Filed in Office Secretary of State June 11, 1999.